
COMMENTS ON PERFORMANCE

The comments on performance are expressed in thousands of Reais - R\$, unless otherwise stated.

Profit or loss analysis**CPFL Energia (Parent)**

This quarter, the increase in profit was R\$ 64,416 when compared with the same period of the prior year (R\$ 1,401,850 in 2021 and R\$ 1,337,434 in 2020), mainly due to the increase in profit of investees.

COMMENTS ON CONSOLIDATED PERFORMANCE

	Consolidated					
	3rd quarter			Nine months		
	2021	2020	%	2021	2020	%
OPERATING REVENUES	15,666,290	11,316,742	38.4%	40,853,502	32,042,010	27.5%
Electricity sales to final consumers (*)	8,962,641	7,505,802	19.4%	25,410,358	22,253,622	14.2%
Electricity sales to wholesaler's (*)	1,918,206	1,297,020	47.9%	4,434,541	3,494,689	26.9%
Revenue from construction of concession infrastructure	797,838	690,319	15.6%	2,164,696	1,789,593	21.0%
Other operating revenues (*)	2,117,803	1,567,978	35.1%	6,030,734	4,421,025	36.4%
Sector financial assets and liabilities	1,869,802	255,624	631.5%	2,813,173	83,080	3286.1%
Deductions from operating revenues	(4,476,406)	(3,535,722)	26.6%	(12,562,686)	(10,417,079)	20.6%
NET OPERATING REVENUE	11,189,884	7,781,020	43.8%	28,290,816	21,624,931	30.8%
COST OF ELECTRIC ENERGY SERVICES	(6,912,400)	(4,467,872)	54.7%	(17,077,830)	(12,832,480)	33.1%
Electricity purchased for resale	(5,927,586)	(3,582,924)	65.4%	(13,809,515)	(10,831,541)	27.5%
Electricity network usage charges	(984,814)	(884,948)	11.3%	(3,268,315)	(2,000,939)	63.3%
OPERATING COST/EXPENSE	(2,322,413)	(1,836,280)	26.5%	(6,274,336)	(5,441,046)	15.3%
Personnel	(397,448)	(354,785)	12.0%	(1,144,776)	(1,066,364)	7.4%
Employee pension plans	(56,723)	(42,813)	32.5%	(170,217)	(131,065)	29.9%
Materials	(92,713)	(74,125)	25.1%	(248,462)	(207,018)	20.0%
Outside Services	(155,492)	(127,638)	21.8%	(461,737)	(449,435)	2.7%
Depreciation and Amortization	(362,879)	(309,125)	17.4%	(1,073,694)	(1,024,246)	4.8%
Merged Goodwill Amortization	(71,656)	(72,311)	-0.9%	(215,354)	(216,530)	-0.5%
Costs related to infrastructure construction	(939,973)	(685,234)	37.2%	(2,299,976)	(1,780,831)	29.2%
Other	(245,530)	(170,249)	44.2%	(660,120)	(565,557)	16.7%
INCOME FROM ELECTRIC ENERGY SERVICE	1,955,071	1,476,868	32.4%	4,938,650	3,351,407	47.4%
FINANCIAL INCOME (EXPENSE)	(189,407)	(192,044)	-1.4%	(319,708)	(143,297)	123.1%
Income	251,939	139,622	80.4%	800,803	760,397	5.3%
Expense	(441,346)	(331,666)	33.1%	(1,120,511)	(903,693)	24.0%
Equity in subsidiaries	206,090	95,645	115.5%	387,405	265,839	45.7%
INCOME BEFORE TAXES	1,971,754	1,380,469	42.8%	5,006,347	3,473,950	44.1%
Social Contribution	(144,987)	(10,207)	1320.5%	(401,377)	(205,238)	95.6%
Income Tax	(390,971)	(18,673)	1993.8%	(1,081,884)	(550,790)	96.4%
NET INCOME	1,435,797	1,351,589	6.2%	3,523,087	2,717,922	29.6%
Net income attributable to the shareholders of the company	1,401,850	1,337,434	4.8%	3,455,962	2,678,569	29.0%
Net income attributable to the non controlling interests	33,947	14,155	139.8%	67,125	39,353	70.6%
EBITDA	2,595,840	1,954,094	32.8%	6,615,538	4,858,457	36.2%

Net Income for the Period and Adjusted EBITDA Reconciliation				
NET INCOME FOR THE PERIOD	1,435,797	1,351,589	3,523,087	2,717,922
Depreciation and Amortization	434,534	381,437	1,289,048	1,240,776
Amortization of fair value adjustment of asset	145	145	435	435
Financial Income (Expense)	189,407	192,044	319,708	143,297
Social Contribution	144,987	10,207	401,377	205,238
Income Tax	390,971	18,673	1,081,884	550,790
Adjusted EBITDA	2,595,840	1,954,094	6,615,538	4,858,457

(*) For purposes of presentation of the comments on performance, the reclassification of revenue from network usage charge - TUSD to captive consumer was not made.

Gross operating revenue

Gross operating revenue for the 3rd quarter of 2021 was R\$ 15,666,290, an increase of 38.4% (R\$ 4,349,548) compared with the same period of the prior year.

The main factors of this variation were:

- R\$ 1,614,178 in sectoral financial assets and liabilities, mainly due to the higher constitution of assets (R\$ 1,514,731) and the lower realization of assets (R\$ 99,447);
- Increase of 19.4% (R\$ 1,456,839) electricity supply, mainly due to a 24.9% increase in average tariffs (R\$ 1,788,426) and partially offset by a 4.4% reduction in the volume of energy sold (R\$ 331,587);
- Increase of 35.1% (R\$ 657,346) in other operating income mainly due to:
 - R\$ 260,944 in revenue for the availability of the electricity network - TUSD free consumer, and
 - R\$ 191,421 in updating the concession financial asset;
- Increase of 47.9% (R\$ 621,186) in energy supply, mainly motivated by:
 - Increase in the sale of spot market energy at CCEE (Electric Energy Trading Chamber) (R\$ 502,578), mainly due to the increase in average tariffs of 505.5% (R\$ 600,811), partially offset by the reduction in the quantity sold of 45.2% (R\$ 98,233);

➤ Volume of energy sold

In the 3rd quarter of 2021, the amount of energy billed to captive consumers in the period, including other licensees, presented a decrease of -3.2% when compared to the same quarter of the prior year. This negative result is mainly due to reductions in energy purchase and sale contracts related to the supply of licensees and customer migrations to the free market.

The consumption of the residential class represents 49.4% of the total market supplied by the distributor and recorded a decrease of -0.4% in the 3rd quarter of 2021 in relation to the same period of the prior year. This performance mainly reflects the relaxation of restrictive measures to combat the Covid-19 pandemic, which allows for greater movement of people and shorter stays in homes.

The commercial class represents 16.5% of the total market supplied by the distributor and recorded a decrease of -1.2% in the 3rd quarter of 2021 in relation to the same period of the prior year. This performance is mainly due to the customers' migrations to the free market.

The industrial class represents 10.8% of the total market supplied by the distributor and reported a decrease of -5.5% in the 3rd quarter of 2021 relation to the same period of the prior year. Like the commercial class, the drop in consumption by the industrial class was also impacted by customers' migrations to the free market.

The other consumption classes (rural, public administration, public utilities, public service and licensees) participate with 23.3% of the total market supplied by the distributor. Such classes presented a decrease of -8.9% in the 3rd quarter of 2021, mainly due to negative results in the licensee class (a -27.1% decrease, mainly caused by decreases in energy purchase and sale contracts).

Regarding the amount of energy sold and transported in the concession area, which impacts both the billed supply (captive market) and the TUSD collection (free market), there was an increase of +3.5% when compared to the same period of the prior year. The variation by class was -0.4% in residential, +8.2% in commercial, +9.1% in industrial and -5.4% in other consumer classes.

➤ Tariffs

In the 3rd quarter of 2021, the energy supply tariffs charged by distribution subsidiaries are as follows:

Distributor	Month	2021		2020	
		RTA / RTP	Effect perceived by consumers (a)	RTA / RTP	Effect perceived by consumers (a)
CPFL Paulista	April	17.62%	8.95%	14.90%	6.05%
CPFL Piratininga	October (b)	14.78%	12.40%	18.31%	9.82%
RGE	June	15.23%	9.95%	15.74%	6.09%
CPFL Santa Cruz	March	17.19%	9.95%	10.71%	0.20%

(a) Represents the average effect perceived by the consumer, as a result of the elimination from the tariff base of financial components that had been added in the prior tariff adjustment.

(b) As described in note 36.3, RTA to the subsidiary CPFL Piratininga took place on October 21, 2021.

Deductions from operating revenue

Deductions from operating revenue in the 3rd quarter of 2021 were R\$ 4,476,406, an increase of 26.6% (R\$ 940,685) in relation to the same quarter of 2020, which occurred mainly due to:

- Increase of R\$ 636,439 in taxes on revenue - ICMS, PIS, COFINS;
- Increase of R\$ 224,747 in tariff flags and others.

Cost of electric energy

The cost of electric energy this quarter amounted to R\$ 6,912,400, an increase of 54.7% (R\$ 2,444,529) in relation to the same period of the prior year, mainly justified by:

- Increase of 65.4% (R\$ 2,344,663) in electric energy purchased for resale, due to:
 - Increase of 79.3% (R\$ 2,621,008) in the average price;
 - Decrease of 7.7% (R\$ 276,345) in the amount of energy purchased.
- Increase of 11.3% (R\$ 99,866) in the transmission and distribution system usage charges, mainly due to the increase in (i) system service charges - ESS net of CONER pass-through (R\$ 265,765), (ii) connection charges (R\$ 20,282), partially offset by: (iii) reserve energy charges - EER (R\$ 77,758); (iv) basic network charges (R\$ 67,236) and (v) Itaipu transportation charges (R\$ 36,888).

Operating costs and expenses

Disregarding the cost of construction of the concession infrastructure, operating costs and expenses this quarter amounted to R\$ 1,382,440, an increase of 20.1% (R\$ 231,398) compared with the same period of the prior year. This variation is mainly due to:

- **Personnel:** increase of 12.0% (R\$ 42,663), mainly due to the effects of collective-labor agreements;
- **Private pension entity:** increase of 32.5% (R\$ 13,910) due to the recognition of the impacts of the actuarial report;
- **Materials:** increase of 25.1% (R\$ 18,587), mainly due to the increase in line and network maintenance and fleet maintenance;
- **Third-party services:** increase of 21.8% (R\$ 27,854), mainly due to the increase in tree pruning, warning, cutting and reconnection and meter reading and use and maintenance of hardware / software and;
- **Other expenses:** increase of 44.2% (R\$ 75,281), mainly due to the increase in: (i) allowance for doubtful accounts (R\$ 69,848).

Financial income (expenses)

The net financial income (expenses) in this quarter corresponded to expenses of R\$ 189,407, compared to R\$ 192,044 in the same period in 2020, a decrease of 1.4% (R\$ 2,638). Such variation is basically due to:

- Increase in financial income of 80.4% (R\$ 112,317), mainly due to the increase in: (i) Monetary and exchange adjustments (R\$ 47,671); (ii) monetary adjustment of tax credits (R\$ 35,794) and (iii) restatements of sectoral financial assets (R\$ 29,643).
- Increase in financial expenses of 33.1% (R\$ 109,680), mainly due to increase in: (i) monetary and exchange adjustments (R\$ 129,910) partially offset by (ii) reduction in settlements in CCEE (R\$ 11,570).

Share of profit (loss) of investees

The variation in share of profit (loss) of investees in consolidated refers to the share of profit (loss) of joint ventures as follows:

	3rd quarter 2021	3rd quarter 2020
Epasa	22,037	18,671
Baesa	2,080	(1,064)
Enercan	65,699	41,800
Chapecoense	116,419	36,382
Amortization of fair value adjustment of asset	(145)	(145)
Total	206,090	95,645

Chapecoense: Increase of R\$ 80,037, mainly due to the GSF (*Generation Scaling Factor*) registration of R\$ 62,412, see note 16 to the financial statements, and increase in the margin of energy operations;

Enercan: Increase of R\$ 23,899, mainly due to the GSF (*Generation Scaling Factor*) registration of R\$ 27,680, see note 16 to the financial statements, and increase in the margin of energy operations, partially offset by an increase in depreciation/amortization expenses and an increase in income taxes.

Social contribution and income tax

Expenses on taxes on profit in the 3rd quarter of 2021 were R\$ 535,957, an increase of R\$ 507,077 compared to the same quarter of 2020, which reflects mainly the effects of recording losses on income tax and social contribution carryforwards for the period.

Profit for the period and EBITDA

Due to the factors described above, the profit for this quarter was R\$ 1,435,797, i.e. 6.2% (R\$ 84,208) higher than the one of the same period of 2020.

EBITDA (Earnings before the effects of depreciation, amortization, financial income and expenses, and income tax and social contribution) for the 3rd quarter of 2021 was R\$ 2,595,840, i.e. 32.8% (R\$ 641,746) higher than the one determined in the same period of 2020.

COMMENTS ON THE PERFORMANCE OF SUBSIDIARIES/ASSOCIATES

Subsidiary/Associate: Companhia Paulista de Força e Luz - CPFL

The subsidiary Companhia Paulista de Força e Luz - CPFL is a publicly-held corporation, and the comment on its performance is included in its Quarterly Information - ITR at September 30, 2021 filed with the Brazilian Securities and Exchange Commission (CVM).

Subsidiary/Associate: CPFL Geração de Energia S.A.

The subsidiary CPFL Geração de Energia S/A is a publicly-held corporation, and the comments on its individual and consolidated performance is included in its Quarterly Information – ITR at September 30, 2021 filed with the Brazilian Securities and Exchange Commission (CVM).

Subsidiary/Associate: CPFL Energias Renováveis S.A.

The subsidiary **CPFL Energias Renováveis S.A.** is a publicly-held corporation, and the comments on its consolidated performance are included in its Quarterly Information – ITR at September 30, 2021 filed with the Brazilian Securities and Exchange Commission (CVM).

Subsidiary/Associate: Companhia Piratininga de Força e Luz

The subsidiary Companhia Piratininga de Força e Luz is a publicly-held corporation, and the comments on its performance is included in its Quarterly Information – ITR at September 30, 2021 filed with the Brazilian Securities and Exchange Commission (CVM).

Subsidiary/Associate: RGE Sul Distribuidora de Energia S.A.

The subsidiary RGE Sul Distribuidora de Energia S.A is a publicly-held corporation, and the comment on its performance is included in its Quarterly Information – ITR at September 30, 2021 filed with the Brazilian Securities and Exchange Commission (CVM).

Subsidiary: CPFL Comercialização Brasil S.A.

	Consolidated					
	3rd quarter			Nine months		
	2021	2020	%	2021	2020	%
OPERATING REVENUES	736,309	862,607	-14.6%	2,065,024	2,686,388	-23.1%
Electricity sales to final consumers	497,234	580,537	-14.3%	1,450,143	1,642,497	-11.7%
Electricity sales to wholesaler's	238,688	282,071	-15.4%	614,411	846,256	-27.4%
Other operating revenues	386	-	0.0%	470	197,636	-99.8%
Deductions from operating revenues	(86,177)	(105,938)	-18.7%	(204,927)	(307,419)	-33.3%
NET OPERATING REVENUE	650,132	756,669	-14.1%	1,860,097	2,378,969	-21.8%
COST OF ELECTRIC ENERGY SERVICES	(708,783)	(740,094)	-4.2%	(1,847,060)	(2,122,953)	-13.0%
Electricity purchased for resale	(708,145)	(739,878)	-4.3%	(1,844,990)	(2,122,970)	-13.1%
Electricity network usage charges	(639)	(217)	195.0%	(2,070)	17	-12356.1%
OPERATING COST/EXPENSE	(19,148)	(11,188)	71.1%	(43,610)	(36,268)	20.2%
Personnel	(7,426)	(7,143)	4.0%	(22,355)	(24,168)	-7.5%
Materials	(81)	(19)	328.7%	(136)	(101)	34.2%
Outside Services	(10,778)	(1,520)	609.0%	(17,038)	(5,065)	236.4%
Depreciation and Amortization	(1,027)	(1,108)	-7.3%	(2,977)	(2,480)	20.0%
Other	165	(1,397)	-111.8%	(1,103)	(4,454)	-75.2%
INCOME FROM ELECTRIC ENERGY SERVICE	(77,798)	5,387	-1544.3%	(30,572)	219,748	-113.9%
FINANCIAL INCOME (EXPENSE)	(36)	6,724	-100.5%	63,278	(179,974)	-135.2%
Income	11,994	15,885	-24.5%	89,787	(175,823)	-151.1%
Expense	(12,030)	(9,161)	31.3%	(26,509)	(4,151)	538.6%
Equity in subsidiaries	29,662	23,902	24.1%	74,913	56,263	33.1%
INCOME BEFORE TAXES	(48,171)	36,013	-233.8%	107,619	96,037	12.1%
Social Contribution	6,129	(1,077)	-669.3%	(4,133)	(3,618)	14.2%
Income Tax	16,877	(2,921)	-677.9%	(11,594)	(10,297)	12.6%
NET INCOME	(25,167)	32,016	-178.6%	91,893	82,122	11.9%
Net income attributable to the shareholders of the company	(25,167)	32,016	-178.6%	91,893	82,122	11.9%
EBITDA	(46,103)	76,624	-160.2%	49,542	281,314	-82.4%

Net Income for the Period and Adjusted EBITDA Reconciliation (*)

NET INCOME FOR THE PERIOD	(25,167)	32,016	91,893	82,122
Depreciation and Amortization	1,027	1,108	2,977	2,480
	1,006	787	2,223	2,822
Financial Income (Expense)	36	(6,724)	(63,278)	179,974
Social Contribution	(6,129)	1,077	4,133	3,618
Income Tax	(16,877)	2,921	11,594	10,297
EBITDA	(46,103)	31,184	49,542	281,314

Gross operating revenue

Gross operating revenue for the 3rd quarter of 2021 was R\$ 736,309, a decrease of R\$ 126,298 (14.6%) in relation to the same quarter of 2020, mainly due to (i) a decrease in energy supply operations of 15.4% (R\$ 43,383) due to the 12.6% reduction in the volume of energy sold (R\$ 35,304) and decrease in the average price of 2.7% (R\$ 7,775); (ii) decrease of 14.3% (R\$ 83,303) in the electricity supply, due to the decrease of 14.0% (R\$ 77,026) in volume, mainly due to the drop in energy supply to industrial customers, and decrease in the average price of 1.1% (R\$ 6,591).

Cost of electric energy

Cost of electric energy in the 3rd quarter of 2021 was R\$ 708,783, a decrease of R\$ 31,311 (4.2%) in relation to the same quarter of 2020, basically due to a decrease in purchased energy volume of 13.17% (R\$ 106,538), partially offset by an increase in average price of 10.08% (R\$ 74,100).

Operating costs and expenses

The operating costs and expenses determined in the 3rd quarter of 2021 was R\$ 19,148, an increase of R\$ 7,959 (71.1%) when compared to the same quarter of 2020, mainly due to:

Personnel: increase of R\$ 283, mainly due to salary readjustments.

Third-party services: increase of R\$ 9,258, mainly due to M&A (merger and acquisition) costs.

Other: Decrease of R\$ 1,562, mainly due to the reversal of the allowance for doubtful accounts (R\$ 2,365), partially offset by an increase in legal, judicial and indemnity expenses (R\$ 705).

Financial income (expenses)

For the 3rd quarter of 2021, the Company posted financial expense of R\$ 36, a decrease in net financial income of R\$ 6,688 as compared with the same quarter of 2020.

Financial income: decrease of 24.5% (R\$ 3,891), mainly due to the decrease in income from monetary adjustment (R\$ 6,706), partially offset by an increase in income from investments (R\$ 2,730).

Financial expenses: increase of 31.3% (R\$ 2,869), mainly explained by the increase in expenses with derivatives (R\$ 5,756) and increase in interest on loan agreements (R\$ 3,297), partially offset by the decrease in debt charges (R\$ 4,311) and mark-to-market (R\$ 2,034).

The share of profit (loss) of investees for the 3rd quarter of 2021 was positive by R\$ 29,662, mainly due to the recognition of equity holding of investee RGE Sul.

Profit/(Loss) for the period and EBITDA

The result determined in the 3rd quarter of 2021 was a loss of R\$ 25,167, with a profit of R\$ 32,016 in the same quarter of 2020.

EBITDA (Earnings before finance result, income tax and social contribution, depreciation and amortization) for the 3rd quarter of 2021 was negative by R\$ 46,103, for the same quarter of 2020 it was R\$ 31,184 (information not reviewed by the Independent Auditors).

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CPFL Energia S.A.

Statements of financial position at September 30, 2021 and December 31, 2020

(in thousands of Brazilian Reais)

	Note	Parent company		Consolidated	
		September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents	5	18,322	395,745	4,633,805	3,918,796
Marketable securities	6	-	-	287,057	1,872,079
Consumers, concessionaires and licensees	7	-	-	5,591,339	5,206,854
Inventories		-	-	121,305	96,182
Dividends and interest on capital	13	397,829	1,166,469	183,331	80,647
Income tax and social contribution recoverable	8	412	3,464	88,859	87,779
Other taxes recoverable	8	4,426	4,600	356,682	337,266
PIS/COFINS on ICMS recoverable	8.1	-	-	499,230	-
Derivatives	34	19,080	-	385,633	744,660
Sector financial asset	9	-	-	2,190,504	558,884
Contract assets	15	-	-	27,238	24,833
Other assets	12	5,043	281	1,090,044	883,824
Total current assets		445,112	1,570,560	15,455,025	13,811,803
Noncurrent assets					
Consumers, concessionaires and licensees	7	-	-	288,346	828,314
Intragroup loans	32	482,749	472,775	-	-
Escrow Deposits	23	329	399	755,276	764,760
Income tax and social contribution recoverable	8	392	-	111,498	35,415
Other taxes recoverable	8	-	-	271,255	218,650
PIS/COFINS on ICMS recoverable	8.1	-	-	8,751,919	150,329
Sector financial assets	9	-	-	927,714	108,908
Derivatives	34	-	-	1,018,891	1,340,113
Deferred tax assets	10	-	25,080	410,209	585,869
Concession financial asset	11	-	-	12,283,382	10,347,567
Investments at cost		-	-	116,654	116,654
Other assets	12	2,384	3,059	201,783	172,140
Investments	13	16,012,378	13,182,704	1,177,239	1,015,918
Property, plant and equipment	14	1,602	2,140	8,739,476	8,797,903
Intangible assets	16	601	3,783	8,868,490	8,969,637
Contract asset	15	-	-	2,262,462	1,842,905
Total noncurrent assets		16,500,434	13,689,941	46,184,595	35,295,081
Total assets		16,945,546	15,260,501	61,639,621	49,106,884

The accompanying notes are an integral part of these interim financial statements.



CPFL Energia S.A.

Statements of financial position at September 30, 2021 and December 31, 2020
(in thousands of Brazilian Reais)

LIABILITIES AND EQUITY	Note	Parent company		Consolidated	
		September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Current liabilities					
Suppliers	17	628	3,237	4,732,519	3,909,517
Borrowings and financings	18	-	-	1,556,543	2,797,195
Debentures	19	-	-	1,652,967	1,191,270
Private pension plan	20	-	-	348,467	199,803
Regulatory liabilities	21	-	-	424,237	108,371
Income tax and social contribution payable	22	-	8,443	158,270	91,470
Other taxes, fees and contributions payable	22	667	472	989,186	873,752
Intragroup loans	32	-	-	-	2,409,545
Dividends		1,744,455	874,954	1,810,724	906,852
Estimated payroll		-	-	204,825	133,429
Derivatives	34	-	-	406	1,354
Sector financial liability	9	-	-	-	41,514
Decommissioning of assets and environmental expenses		-	-	20,775	19,946
Use of public asset		-	-	16,212	12,573
Other payables	24	20,168	23,212	1,618,208	1,709,358
Total current liabilities		1,765,918	910,317	13,533,339	14,405,951
Noncurrent liabilities					
Suppliers	17	-	-	383,468	456,658
Borrowings and financings	18	-	-	10,536,840	8,624,840
Debentures	19	-	-	5,805,775	6,257,032
Private pension plan	20	-	-	2,508,594	2,759,826
Income tax and social contribution payable	22	-	-	169,566	165,900
Other taxes, fees and contributions payable	22	-	-	865	839
Deferred tax liabilities	10	6,192	-	814,901	767,807
Provision for tax, civil and labor risks	23	226	114	587,318	616,136
Intragroup loans	32	401,634	400,025	2,474,903	-
Derivatives	34	-	-	65,164	-
Sector financial liability	9	-	-	65,746	185,592
Decommissioning of assets and environmental expenses		-	-	181,321	184,955
Use of public asset		-	-	127,262	112,055
PIS/COFINS consumers return	8.1	-	-	9,051,471	114,484
Other payables	24	15,524	14,266	272,527	219,032
Total noncurrent liabilities		423,575	414,406	33,045,722	20,465,155
Equity	25				
Issued capital		9,388,071	9,388,071	9,388,071	9,388,071
Capital reserves		(1,650,078)	(1,643,775)	(1,650,078)	(1,643,775)
Legal reserve		1,218,283	1,218,283	1,218,283	1,218,283
Statutory reserve - working capital improvement		4,072,689	5,803,185	4,072,689	5,803,185
Dividend		-	865,248	-	865,248
Accumulated comprehensive income		(1,750,810)	(1,695,235)	(1,750,810)	(1,695,235)
Retained earnings		3,477,898	-	3,477,898	-
		14,756,053	13,935,777	14,756,053	13,935,777
Equity attributable to noncontrolling interests		-	-	304,508	300,001
Total equity		14,756,053	13,935,777	15,060,560	14,235,778
Total liabilities and equity		16,945,546	15,260,501	61,639,621	49,106,884

The accompanying notes are an integral part of these interim financial statements.



CPFL Energia S.A.

Statements of income for the periods ended September 30, 2021 and 2020
(in thousands of Brazilian Reals, except for Earnings per share)

Note	Parent company				Consolidated				
	2021		2020		2021		2020		
	3rd quarter	9 months	3rd quarter	9 months	3rd quarter	9 months	3rd quarter	9 months	
Net operating revenue	27	11	34	-	(3,983)	11,189,884	28,290,816	7,781,020	21,624,931
Cost of services									
Cost of electric energy	28	-	-	-	-	(6,912,400)	(17,077,830)	(4,467,872)	(12,832,480)
Cost of operation		-	-	-	-	(802,862)	(2,367,362)	(682,618)	(2,144,542)
Depreciation and amortization		-	-	-	-	(333,374)	(985,817)	(280,345)	(939,944)
Other cost of operation	29	-	-	-	-	(469,488)	(1,381,545)	(402,273)	(1,204,598)
Cost of services rendered to third parties	29	-	-	-	-	(940,940)	(2,303,073)	(686,035)	(1,784,115)
Gross profit		11	34	-	(3,983)	2,533,682	6,542,551	1,944,495	4,863,794
Operating expenses									
Selling expenses		-	-	-	-	(220,663)	(595,104)	(148,986)	(516,096)
Depreciation and amortization		-	-	-	-	(2,325)	(6,892)	(2,288)	(5,916)
Allowance for doubtful accounts		-	-	-	-	(106,220)	(260,195)	(36,372)	(174,344)
Other selling expenses	29	-	-	-	-	(112,118)	(328,017)	(110,326)	(335,836)
General and administrative expenses		(6,894)	(21,697)	(7,877)	(28,391)	(248,995)	(678,726)	(213,825)	(683,635)
Depreciation and amortization		(101)	(312)	(116)	(316)	(27,180)	(80,985)	(26,492)	(78,386)
Other general and administrative expenses	29	(6,793)	(21,385)	(7,761)	(28,075)	(221,815)	(597,741)	(187,333)	(605,249)
Other operating expenses		-	-	-	-	(108,953)	(330,071)	(104,817)	(312,656)
Amortization of concession intangible asset		-	-	-	-	(71,656)	(215,354)	(72,311)	(216,530)
Other operating expenses	29	-	-	-	-	(37,297)	(114,717)	(32,506)	(96,126)
Income from electric energy services		(6,882)	(21,663)	(7,877)	(32,374)	1,955,071	4,938,650	1,476,868	3,351,407
Equity interests in subsidiaries, associates and joint ventures	13	1,435,816	3,513,878	1,397,540	2,754,930	206,090	387,405	95,645	265,839
Financial income (expenses)	30	1,428,934	3,492,215	1,389,663	2,722,556	2,161,161	5,326,055	1,572,513	3,617,246
Financial income		15,769	26,289	(5,932)	2,898	251,939	800,803	139,622	760,397
Financial expenses		(5,318)	(10,919)	(16)	(41)	(441,346)	(1,120,511)	(331,666)	(903,693)
		10,451	15,371	(5,948)	2,857	(189,407)	(319,708)	(192,044)	(143,297)
Profit before taxes		1,439,384	3,507,586	1,383,714	2,725,414	1,971,754	5,006,347	1,380,469	3,473,950
Social contribution	10	(9,653)	(12,712)	(11,874)	(11,108)	(144,987)	(401,377)	(10,207)	(205,238)
Income tax	10	(27,881)	(38,913)	(34,406)	(35,737)	(390,971)	(1,081,884)	(18,673)	(550,790)
		(37,534)	(51,625)	(46,280)	(46,845)	(535,957)	(1,483,260)	(28,880)	(756,028)
Profit for the period		1,401,850	3,455,962	1,337,434	2,678,569	1,435,797	3,523,087	1,351,589	2,717,922
Profit (loss) for the period attributable to owners of the Company						1,401,850	3,455,962	1,337,434	2,678,569
Profit (loss) for the period attributable to noncontrolling interests						33,947	67,125	14,155	39,353
Earnings per share attributable to owners of the Company (R\$):	26					1.22	3.00	1.16	2.32

The accompanying notes are an integral part of these interim financial statements



CPFL Energia S.A.

Statements of comprehensive income for the periods ended September 30, 2021 and 2020
(in thousands of Brazilian Reais)

	Parent company			
	2021		2020	
	3rd quarter	9 months	3rd quarter	9 months
Profit for the period	1,401,850	3,455,962	1,337,434	2,678,569
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Comprehensive income for the period of subsidiaries	(6,584)	(34,659)	(46,163)	297,022
Total comprehensive income for the period	1,395,266	3,421,303	1,291,271	2,975,591

	Consolidated			
	2021		2020	
	3rd quarter	9 months	3rd quarter	9 months
Profit for the period	1,435,797	3,523,087	1,351,589	2,717,922
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
- Actuarial gains (losses), net of tax effects	(985)	(2,701)	(4,333)	266,327
- Credit risk in fair value measurement of financial liabilities	(5,600)	(31,959)	(41,830)	30,695
Total comprehensive income for the period	1,429,213	3,488,428	1,305,426	3,014,944
Comprehensive income attributable to owners of the Company	1,395,266	3,421,303	1,291,271	2,975,591
Comprehensive income attributable to noncontrolling interests	33,947	67,125	14,155	39,353

The accompanying notes are an integral part of these interim financial statements



CPFL Energia S.A.
Statements of changes in the shareholder equity for the periods ended September 30, 2021 and 2020
(in thousands of Brazilian Reals)

	Earnings reserves					Accumulated comprehensive income				Noncontrolling interests		
	Issued capital	Capital reserve	Legal reserve	Statutory reserve / Working capital	Dividend	Deemed cost	Private pension plan / Credit risk in fair value measurement	Retained earnings	Total	Accumulated comprehensive income	Other equity components	Total equity
Balance at December 31, 2019	9,388,081	(1,640,962)	1,036,125	4,046,305	1,433,295	355,049	(1,623,514)	-	12,994,381	8,278	280,578	13,283,238
Total comprehensive income	-	-	-	-	-	-	297,022	2,678,569	2,975,590	-	39,353	3,014,943
Profit for the period	-	-	-	-	-	-	-	2,678,569	2,678,569	-	39,353	2,717,922
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	30,695	-	30,695	-	-	30,695
Other comprehensive income - actuarial gains (losses), net of tax effects	-	-	-	-	-	-	266,327	-	266,327	-	-	266,327
Internal changes in equity	-	-	-	-	-	(19,273)	-	19,273	-	(1,333)	1,258	(75)
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	(29,202)	-	29,202	-	(2,020)	2,020	-
Tax effect on realization of deemed cost	-	-	-	-	-	9,929	-	(9,929)	-	687	(687)	-
Other changes	-	-	-	-	-	-	-	-	-	-	(75)	(75)
Capital transactions with owners	(1)	(2,815)	-	-	(1,433,295)	-	-	837	(1,435,274)	-	(42,127)	(1,477,402)
Public offering costs	(1)	-	-	-	-	-	-	-	(1)	-	-	(1)
Gain (loss) on interest in subsidiaries with no change in control	-	(2,815)	-	-	-	-	-	-	(2,815)	-	(2,489)	(5,304)
Additional proposed dividend	-	-	-	-	-	-	-	-	-	-	(39,638)	(39,638)
Unclaimed dividend	-	-	-	-	-	-	-	837	837	-	-	837
Dividend proposal approved	-	-	-	-	(1,433,295)	-	-	-	(1,433,295)	-	-	(1,433,295)
Balance at September 30, 2020	9,388,080	(1,643,776)	1,036,125	4,046,305	-	335,776	(1,326,492)	2,698,679	14,534,698	6,945	279,061	14,820,706
Balance at December 31, 2020	9,388,071	(1,643,775)	1,218,283	5,803,185	865,248	329,502	(2,024,737)	-	13,935,777	6,501	293,499	14,235,778
Total comprehensive income	-	-	-	-	-	-	(34,659)	3,455,962	3,421,303	-	67,125	3,488,428
Profit for the period	-	-	-	-	-	-	-	3,455,962	3,455,962	-	67,125	3,523,087
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	(31,959)	-	(31,959)	-	-	(31,959)
Other comprehensive income - actuarial gains (losses), net of tax effects	-	-	-	-	-	-	(2,701)	-	(2,701)	-	-	(2,701)
Internal changes in equity	-	-	-	-	-	(20,916)	-	20,916	-	(1,333)	1,208	(125)
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	(31,691)	-	31,691	-	(2,020)	2,020	-
Tax effect on realization of deemed cost	-	-	-	-	-	10,775	-	(10,775)	-	687	(687)	-
Other changes	-	-	-	-	-	-	-	-	-	-	(125)	(125)
Capital transactions with owners	-	(6,303)	-	(1,730,496)	(865,248)	-	-	1,020	(2,601,026)	-	(62,491)	(2,663,518)
Gain (loss) on interest in subsidiaries with no change in control	-	(2,795)	-	-	-	-	-	-	(2,795)	-	2,795	-
Unclaimed dividend	-	-	-	-	-	-	-	1,020	-	-	-	1,020
Dividend proposal approved	-	-	-	(1,730,496)	(865,248)	-	-	-	(2,595,744)	-	(65,286)	(2,661,030)
Other changes	-	(3,508)	-	-	-	-	-	-	(3,508)	-	-	(3,508)
Balance at September 30, 2021	9,388,071	(1,650,078)	1,218,283	4,072,689	-	308,586	(2,059,396)	3,477,898	14,756,053	5,168	299,340	15,060,560

The accompanying notes are an integral part of these interim financial statements.



CPFL Energia S.A.

Statements of cash flow for the periods ended September 30, 2021 and 2020
(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Profit before taxes	3,507,586	2,725,414	5,006,347	3,473,950
Adjustment to reconcile profit to cash from operating activities				
Depreciation and amortization	312	316	1,289,048	1,240,776
Provision for tax, civil and labor risks	674	28	93,265	83,312
Allowance for doubtful accounts	-	-	260,195	174,344
Interest on debts, monetary adjustment and exchange rate changes	(20,957)	(10,145)	86,206	324,364
Pension plan expense (income)	-	-	170,217	131,065
Equity interests in subsidiaries, associates and joint ventures	(3,513,878)	(2,754,930)	(387,405)	(265,839)
Loss (gain) on disposal of noncurrent assets	-	-	107,984	88,913
Generation Scaling Factor	-	-	(175,904)	-
Others	-	-	(89,419)	7,788
	(26,263)	(39,317)	6,360,534	5,258,673
Decrease (increase) in operating assets				
Consumers, concessionaires and licensees	-	-	(102,736)	25,534
Dividend and interest on capital received	1,396,092	195,467	119,833	166,952
Taxes recoverable	5,880	31,626	(83,266)	(92,382)
Escrow deposits	74	(10)	23,231	3,682
Sector financial asset	-	-	(2,364,065)	828,023
Receivables - CDE	-	-	(24,635)	17,046
Transmission asset additions	-	-	(89,862)	(94,340)
Advance to suppliers	-	-	(43,867)	(66,017)
Orders in progress	-	51	(97,762)	(113,151)
Other operating assets	619	296	(209,542)	(199,234)
Increase (decrease) in operating liabilities				
Trade payables	(2,609)	(4,282)	724,229	(339,355)
Other taxes and social contributions	(1,698)	(14,497)	95,296	316,013
Other liabilities with private pension plan	-	-	(275,484)	(136,345)
Regulatory charges	-	-	315,866	(118,184)
Tax, civil and labor risks paid	(564)	(73)	(167,850)	(177,871)
Sector financial liability	-	-	(449,107)	369,158
Payables - CDE	-	-	(34,006)	(8,591)
Other operating liabilities	(8,656)	(10,979)	242,830	392,782
Cash flows provided (used) by operations	1,362,875	158,282	3,939,638	6,032,392
Interest paid on debts and debentures	-	-	(418,073)	(617,375)
Income tax and social contribution paid	(13,779)	(42,318)	(1,072,117)	(382,776)
Cash flows provided (used) by operations activities	1,349,096	115,964	2,449,448	5,032,241
Investing activities				
Capital increase of shareholders	-	-	-	(3,348)
Purchases of property, plant and equipment	-	(314)	(384,277)	(230,626)
Purchases of contract asset	-	-	(2,155,549)	(1,600,393)
Purchases and construction of intangible assets	(1,297)	(680)	(16,302)	(7,200)
Securities, pledges and restricted deposits - investment	-	(350)	(136,169)	(1,446,698)
Securities, pledges and restricted deposits - redemption	-	-	1,718,856	1,486,459
Advances for future capital increases	-	(35,000)	-	-
Intragroup loans to subsidiaries	-	(46,945)	-	-
Receiving of intragroup loans from subsidiaries	-	66,001	-	-
Outros	-	-	552	(1,950)
Net cash generated by (used) In investing activities	(1,297)	(17,288)	(972,889)	(1,803,755)
Financing activities				
Public offering costs	-	(1)	-	(1)
Borrowings and debentures raised	-	-	3,904,114	4,665,557
Repayment of principal of borrowings and debentures	-	-	(3,736,568)	(6,135,375)
Repayment of derivatives	-	-	826,503	708,362
Dividend and interest on capital paid	(1,725,223)	(132)	(1,755,599)	(20,462)
Intragroup loans raised	-	-	-	2,380,000
Intragroup loans paid	-	-	-	(5,258)
Net cash generated by (used in) financing activities	(1,725,223)	(133)	(761,550)	1,592,823
Net increase (decrease) in cash and cash equivalents	(377,423)	98,543	715,009	4,821,309
Cash and cash equivalents at the beginning of the period	395,745	33,909	3,918,796	1,937,163
Cash and cash equivalents at the end of the period	18,322	132,452	4,633,805	6,758,471

The accompanying notes are an integral part of these interim financial statements.



CPFL Energia S.A.

Statements of value added for the periods ended September 30, 2021 and 2020

(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	2021 9 months	2020 9 months	2021 9 months	2020 9 months
1. Revenues	(3,125)	(2,989)	40,691,586	32,097,299
1.1 Operating revenues	38	(3,983)	38,689,001	30,252,416
1.2 Revenues related to the construction of own assets	(3,163)	994	98,084	229,633
1.3 Revenue from infrastructure construction of the concession	-	-	2,164,696	1,789,593
1.4 Allowance for doubtful accounts	-	-	(260,195)	(174,344)
2. (-) Inputs	(3,092)	(8,210)	(22,426,705)	(17,250,400)
2.1 Electricity Purchased for Resale	-	-	(18,919,572)	(14,230,898)
2.2 Material	(112)	(358)	(1,543,466)	(1,264,912)
2.3 Outsourced Services	(885)	(5,400)	(1,401,013)	(1,259,898)
2.4 Other	(2,095)	(2,452)	(562,654)	(494,690)
3. Gross added value (1 + 2)	(6,217)	(11,199)	18,264,881	14,846,899
4. Retentions	(312)	(316)	(1,295,277)	(1,246,912)
4.1 Depreciation and amortization	(312)	(316)	(1,079,923)	(1,030,382)
4.2 Amortization of intangible assets of the concession	-	-	(215,354)	(216,530)
Sector financial asset	(6,529)	(11,515)	16,969,604	13,599,987
6. Added value received in transfer	3,550,732	2,768,044	1,235,567	1,063,262
6.1 Financial Income	36,853	13,113	848,161	797,422
6.2 Equity interests in subsidiaries, associates and joint ventures	3,513,878	2,754,930	387,405	265,839
7. Added value to be distributed (5 + 6)	3,544,203	2,756,529	18,205,170	14,663,249
8. Distribution of added value				
8.1 Personnel and Charges	12,577	17,547	1,238,112	1,117,635
8.1.1 Direct Remuneration	7,070	8,946	672,151	613,621
8.1.2 Benefits	4,774	7,289	517,018	456,450
8.1.3 Government severance indemnity fund for employees - F.G.T.S.	733	1,312	48,943	47,564
8.2 Taxes, Fees and Contributions	64,530	60,169	12,227,775	9,827,185
8.2.1 Federal	64,467	60,106	6,387,358	4,870,034
8.2.2 Estate	64	62	5,811,310	4,930,542
8.2.3 Municipal	-	-	29,107	26,609
8.3 Interest and Rentals	11,134	244	1,216,195	1,000,506
8.3.1 Interest	10,917	23	1,145,253	920,776
8.3.2 Rental	217	221	70,942	79,731
8.4 Interest on capital	3,455,962	2,678,569	3,523,087	2,717,922
8.4.1 Retained Earnings	3,455,962	2,678,569	3,523,087	2,717,922
	3,544,203	2,756,529	18,205,171	14,663,249

The accompanying notes are an integral part of these interim financial statements.

CPFL ENERGIA S.A.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
AT SEPTEMBER 30, 2021

(Amounts in thousands of Brazilian reais – R\$, unless otherwise stated)

(1) OPERATIONS

CPFL Energia S.A. ("CPFL Energia" or "Company") is a publicly-held corporation incorporated for the principal purpose of operating as a holding company, with equity interests in other companies primarily engaged in electric energy distribution, generation and commercialization activities in Brazil.

The Company's registered office is located at Rua Jorge Figueiredo Corrêa, nº 1,632, Jardim Professora Tarcília, CEP 13087-397 – Campinas - SP - Brazil.

The Company has direct and indirect interests in the following subsidiaries and joint ventures:

Energy distribution	Company type	Equity interest	Location (state)	Number of municipalities	Approximate number of consumers (in thousands)	Concession period	End of the concession
Companhia Paulista de Força e Luz ("CPFL Paulista")	Publicly-held corporation	Direct 100%	Interior of São Paulo	234	4,750	30 years	November 2027
Companhia Piratininga de Força e Luz ("CPFL Piratininga")	Publicly-held corporation	Direct 100%	Interior and coast of São Paulo	27	1,858	30 years	October 2028
RGE Sul Distribuidora de Energia S.A. ("RGE")	Publicly-held corporation	Direct and Indirect 100%	Interior of Rio Grande do Sul	381	3,018	30 years	November 2027
Companhia Jaguarí de Energia ("CPFL Santa Cruz")	Privately-held corporation	Direct 100%	Interior of São Paulo, Paraná and Minas Gerais	45	484	30 years	July 2045

Energy generation and Energy transmission	Company type	Equity interest	Location (state)	Number of plants / type of energy	Total	CPFL share
CPFL Energias Renováveis S.A. ("CPFL Renováveis")	Publicly-held corporation	Direct and Indirect 100%	(b)	(b)	(b)	(b)
CPFL Geração de Energia S.A. ("CPFL Geração")	Publicly-held corporation	Direct 100%	São Paulo	n/a	n/a	n/a
CERAN - Companhia Energética Rio das Antas ("CERAN")	Privately-held corporation	Indirect 65%	Rio Grande do Sul	3 Hydropower	360	234
Foz do Chapecó Energia S.A. ("Foz do Chapecó")	Privately-held corporation	Indirect 51% (c)	Santa Catarina e Rio Grande do Sul	1 Hydropower	855	436
Campos Novos Energia S.A. ("ENERCAN")	Privately-held corporation	Indirect 48.72%	Santa Catarina	1 Hydropower	880	429
Centrais Elétricas da Paraíba S.A. ("EPASA")	Privately-held corporation	Indirect 53.34%	Paraíba	2 Thermal	342	182
Paulista Lajeado Energia S.A. ("Paulista Lajeado")	Privately-held corporation	Indirect 59.93% (a)	Tocantins	1 Hydropower	903	38
CPFL Transmissão Piracicaba S.A. ("CPFL Transmissão Piracicaba")	Limited liability company	Indirect 100%	São Paulo	n/a	n/a	n/a
CPFL Transmissão Morro Agudo S.A. ("CPFL Transmissão Morro Agudo")	Limited liability company	Indirect 100%	São Paulo	n/a	n/a	n/a
CPFL Transmissão Maracanaú S.A. ("CPFL Maracanaú") (e)	Limited liability company	Indirect 100%	Ceará	n/a	n/a	n/a
CPFL Transmissão Sul I S.A. ("CPFL Sul I")	Limited liability company	Indirect 100%	Santa Catarina	n/a	n/a	n/a
CPFL Transmissão Sul II S.A. ("CPFL Sul II")	Limited liability company	Indirect 100%	Rio Grande do Sul	n/a	n/a	n/a

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

Provision of services	Company type	Core activity	Equity interest
CPFL Serviços, Equipamentos, Indústria e Comércio S.A. ("CPFL Serviços")	Privately-held corporation	Manufacturing, commercialization, rental and maintenance of electro-mechanical equipment and service provision	Direct 100%
Nect Serviços Administrativos de Infraestrutura Ltda ("CPFL Infra")	Limited liability company	Provision of infrastructure and fleet services	Direct 100%
Nect Serviços Administrativos de Recursos Humanos Ltda ("CPFL Pessoas")	Limited liability company	Provision of human resources services	Direct 100%
Nect Serviços Administrativos Financeiros Ltda ("CPFL Finanças")	Limited liability company	Provision of financial services	Direct 100%
Nect Serviços Adm de Suprimentos E Logística Ltda ("CPFL Supre")	Limited liability company	Supply and logistics services	Direct 100%
CPFL Atende Centro de Contatos e Atendimento Ltda ("CPFL Atende")	Limited liability company	Provision of call center services	Direct 100%
CPFL Total Serviços Administrativos S.A. ("CPFL Total")	Privately-held corporation	Collection services	Indirect 100%
CPFL Eficiência Energética Ltda ("CPFL Eficiência")	Limited liability company	Energy efficiency management	Direct 100%
TI Nect Serviços de Informática Ltda ("Authi")	Limited liability company	Provision of IT services	Direct 100%
CPFL Geração Distribuída de Energia Ltda ("CPFL GD")	Limited liability company	Provision of maintenance services for energy generation companies	Indirect 100%
Others	Company type	Core activity	Equity interest
CPFL Jaguarí de Geração de Energia Ltda ("Jaguarí Geração")	Limited liability company	Holding company	Direct 100%
Chapecoense Geração S.A. ("Chapecoense")	Privately-held corporation	Holding company	Indirect 51%
Sul Geradora Participações S.A. ("Sul Geradora")	Privately-held corporation	Holding company	Indirect 99.95%
CPFL Telecomunicações Ltda ("CPFL Telecom")	Limited liability company	Telecommunication services	Direct 100%
Alesta Sociedade de Crédito Direto S.A. ("Alesta")	Privately-held corporation	Financial services	Direct 100%

- a) Paulista Lajeado holds a 7% interest in the installed power of Investco S.A. (5.94% interest in total capital).
- b) CPFL Renováveis has operations in the states of São Paulo, Minas Gerais, Mato Grosso, Santa Catarina, Ceará, Rio Grande do Norte, Paraná and Rio Grande do Sul and Goiás, and its main activities are: (i) holding investments in companies of the renewable energy segment; (ii) identification, development, and exploration of generation potentials; and (iii) sale of electric energy. At September 30, 2021, CPFL Renováveis had a portfolio of 108 projects of 3,1 GW of installed capacity (3,090.4 MW in operation):
- Hydropower generation: 47 small hydroelectric plants and central hydroelectric generators - SHPs/CHGs (485 MW) with 46 SHPs/CHGs in operation (457.1 MW) and 1 SHP under construction/development (28 MW), 3 hydroelectric power plants (HPP) in operation (848 MW - 51.54% of the assured energy and power of the Serra da Mesa hydropower plant, which concession is owned by Furnas, 25.01% of BAESA - Energética Barra Grande S.A. "BAESA" and 100% of Rio do Peixe);
 - Wind power generation: 49 projects (1,390.2 MW) with 45 projects in operation (1,308.5 MW) and 4 projects under construction/development (81.7 MW);
 - Biomass power generation: 8 plants in operation (394 MW);
 - Solar power generation: 1 solar plant in operation (1.1 MW).
- c) The joint venture Chapecoense has as its direct subsidiary Foz do Chapecó and fully consolidates its financial statements.

1.1 - Impacts of COVID-19

On March 11, 2020, the World Health Organization (WHO) declared that the COVID-19 had become a pandemic. The outbreak triggered significant decisions by governments and private sector entities, which, added to the potential impact of the outbreak at the time, increased to some extent the degree of uncertainty for economic agents, which may have significant impacts on these interim financial statements. The main economies in the world and the main economic blocs have been studying and implementing economic stimulus packages to minimize impacts that COVID-19 may cause.

Management has constantly assessed the impact of the outbreak on the operations and on the financial position of the Group, with the objective of implementing appropriate measures to mitigate the impacts on operations. Up to the date of authorization for the issuance of these interim financial statements, the following measures have been taken and the main matters that are under constant monitoring are listed below:

- Implementation of temporary measures referring to the employees, such as home office planning, adaptation of collective spaces to avoid crowding and other applicable health-related measures;
- Negotiation with equipment suppliers to evaluate delivery times in view of the pandemic scenario, without, so far, there being any indication of relevant risks of delay that may impact on operations;
- Evaluation of contractual conditions with financial institutions related to borrowings and financings and payment with suppliers, to mitigate any liquidity risks;
- Monitoring of variations in market indexes that could affect borrowings, financings and debentures;
- Evaluation of possible renegotiations with customers due to macroeconomic retraction. Such renegotiations are being directed, in their majority, through temporary displacements in the contracted quantities;
- Monitoring of the reduction of the billed market by the closing, as well as the resumption after the flexibility measures, of commercial and industrial establishments arising from the measures to combat the pandemic;
- Monitoring of over-contracting of the Group's distributors due to load reduction and consequent energy surpluses above 5% foreseen in the regulatory requirements;
- Monitoring of default, especially in the light of the suspension from April 1st to June 30, 2021, which was extended until September 30, 2021, according to REN n° 936 of ANEEL of default cuts for low-income residential subclasses. In addition to specific rules to be complied with in order to make the cuts in the other consumer classes and restrictions in the collection of fine and interest due to default.

Due to the relevance of the potential impacts mentioned, the authorities of the Brazilian Electricity Sector, in particular the Ministry of Mines and Energy (MME) and ANEEL, adopted some measures during the pandemic period, among which the most relevant are:

- Exemption for the portion of monthly consumption of up to 220 kilowatt-hours (kWh/month) of low-income residential-class consumers, in the period from April 1 to June 30, 2020, as provided for in Provisional Measure No. 950, of April 8, 2020, funded through Federal Government contributions to the CDE sector fund, as provided for in Provisional Measure No. 949, of April 8, 2020.
- Recognition of energy surpluses resulting from the load reduction of distributors, resulting from the effects of the COVID-19 pandemic, as an involuntary contractual exposure, to be regulated by ANEEL, as provided for in Provisional Measure No. 950 of April 8, 2020, and in Decree No. 10,350 of May 18, 2020;
- Creation of the COVID Account through Provisional Measure No. 950, of April 8, 2020 and regulated by Decree No. 10.350, of May 18, 2020, and Normative Resolution No. 885, of June 23, 2020.

Further information on the COVID Account and how it affects the Group's business is disclosed in note 1.3 to the financial statements for the year ended December 31, 2020.

Considering all the analyses carried out on the aspects related to the possible impacts of COVID-19 on its businesses and those of its subsidiaries, as well as the regulatory updates made in the period, for the nine months periods ended at September 30, 2021, the Company concluded that there were no material effects related to the pandemic in its interim financial statements.

The financial and economic effect for the Group during the next months will depend on the outcome of the crisis and its macroeconomic impacts. The Group will continue to constantly monitor the effects of the crisis and the impacts on their operations and interim financial statements.

Economic and Financial Rebalancing

Due to the effects of the restrictive measures adopted by government to contain the advance of the pandemic caused by the Coronavirus outbreak (COVID-19), the Company and its subsidiaries, as well as other energy distribution concessionaires in the country, suffered some extraordinary and immediate impacts, such as a fall in revenue due to the retraction of the consumer market and a reduction in revenue due to the increase in defaults.

Considering the effects of the pandemic and, based on the concession contract between the Group's Distributors and the Granting Authority, through ANEEL, as well as articles 9 and 10 of Law No. 8,987, of February 13, 1995, among others applicable legal provisions, the Group's Distributors have the right to economic and financial rebalancing of the concession contract, so that, in a situation in which the burden

generated by events outside the management of the risks inherent to the operation, such as, but not limited to, events categorized as act of God or force majeure, or even determinations from the Granting Authority that impact the Company and its subsidiaries, must be reimbursed to the Company and its subsidiaries to rebalance the economic and financial health of the concession contract.

Decree nº 10.350, of May 18, 2020, which regulates Provisional Measure nº 950, of April 8, 2020, provides for ANEEL's analysis, in a specific administrative process, of the need to restore the economic and financial balance of the concessionaires of distribution of electricity, upon request from interested parties. Pursuant to ANEEL Normative Resolution No. 885, of June 23, 2020, the Agency established the second phase of Public Consultation No. 35 of 2020 ("CP35/2020") in the period from August 18 to October 5, 2020, with the objective of regulating restoration of the economic and financial balance of concession contracts and permission for providing public power distribution service, which has not been concluded until closing of the interim financial statements. Continuing with the process of establishing the regulation of economic and financial balance, ANEEL decided to open the 3rd Phase of Public Consultation 35 between 12/16/2020 and 02/01/2021. Additionally, in this same phase of the public consultation, it was decided to discuss the rules for allocating the costs of COVID Account borrowings and over-contracting, an effect of the pandemic scenario.

The Group awaits the developments of the regulation in order to assess the measures to be taken.

(2) PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

This interim individual (Parent Company) and consolidated financial statement has been prepared and is being presented in accordance with the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standard Board – IASB, and also based on standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Quarterly Financial Information (ITR), in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting.

The Company and its subsidiaries ("Group") also follows the guidelines of the Accounting Manual of the Brazilian Electricity Sector and the standards laid down by the Brazilian Electricity Regulatory Agency (Agência Nacional de Energia Elétrica – ANEEL), when these do not conflict with the accounting practices adopted in Brazil and/or International Financial Reporting Standards.

The accounting practices and criteria adopted in preparing these individual and consolidated interim financial statements are consistent with those adopted in preparing the financial statements at December 31, 2020, and therefore should be read together.

Management states that all material information of the interim financial statements is disclosed and corresponds to what is used in the Group's management.

The interim financial statements were authorized for issue by Management and on November 09, 2021.

2.2 Basis of measurement

The interim financial statements has been prepared on the historical cost basis except for the following material items which are measured at each reporting data and recorded in the statements of financial position: i) derivative financial instruments measured at fair value and ii) non derivative financial instruments measured at fair value through profit or loss. The classification of the fair value measurement in the level 1, 2 or 3 categories (depending on the degree of observance of the variables used) is presented in note 34 – Financial Instruments.

2.3 Use of estimates and judgments

The preparation of the interim financial statements requires the Group's 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 accounting estimates may differ from the actual results. Accordingly, the Group's management review the estimates and assumptions on an ongoing basis, based on previous experience and other relevant factors. Adjustments resulting from revisions to accounting estimates are recognized in the period in which the estimates are revised and applied on a prospective basis.

The main accounts that require the adoption of estimates and assumptions, which are subject to a greater degree of uncertainty and may result in a material adjustment if these estimates and assumptions suffer significant changes in subsequent periods, are:

- Note 7 – Consumers, concessionaires and licensees (Allowance for doubtful accounts: key assumptions regarding to the expected credit loss – ECL and premises for measuring the supply and Tariff for use of the distribution system (“TUSD”) not invoiced);
- Note 8 – Taxes recoverable (Criteria and assumptions on the exclusion of ICMS from the PIS and COFINS basis);
- Note 9 – Sector financial asset and liability (Regulatory discretion and judgement over certain items);
- Note 10 – Deferred tax assets and liabilities (recognition of assets: availability of future taxable profit against which the tax losses can be utilized);
- Note 11 – Concession financial asset (assumptions for fair value measurement, based on significant unobservable inputs, see note 34);
- Note 12 – Other assets (allowance for doubtful accounts: key assumptions regarding to the expected credit loss - ECL);
- Note 14 – Property, plant and equipment (application of estimated useful lives and main assumptions regarding recoverable amounts);
- Note 15 – Contract Asset (key assumptions regarding recoverable amounts);
- Note 16 – Intangible assets (key assumptions regarding recoverable amounts);
- Note 18 – Borrowings and financings (key assumptions used in the fair value measurement);
- Note 19 – Debentures (key assumptions used in the fair value measurement);
- Note 20 – Private pension plan (key actuarial assumptions used in the measurement of defined benefit obligations);
- Note 23 – Provision for tax, civil and labor risks and escrow deposits (recognition and measurement: key assumptions on the probability and magnitude of outflow of resources); and
- Note 34 - Financial instruments – derivatives (key assumptions used in the fair value measurement).

2.4 Functional currency and presentation currency

The Group’s functional currency is the Brazilian Real, and the individual and consolidated interim financial statements is being presented in thousands of reais. Figures are rounded only after sum-up of the amounts. Consequently, when summed up, the amounts stated in thousands of reais may not tally with the rounded totals.

2.5 Segment information

An operating segment is a component of the Company (i) that engages in operating activities from which it earns revenues and incurs 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 individual financial information is available.

The Group’s officers use reports to make strategic decisions, segmenting the business into: (i) electric energy distribution activities (“Distribution”); (ii) electric energy generation and transmission activities (“Generation”); (iii) energy commercialization activities (“Commercialization”); (iv) service activities (“Services”); and (v) other activities not listed in the previous items.

2.6 Information on equity interests

The Company's equity interests in direct and indirect subsidiaries and joint ventures are described in note 1. Except for (i) the companies ENERCAN, BAESA, Chapecoense and EPASA, which use the equity method of accounting, and (ii) the non-controlling interest in the investment stated at cost by the subsidiary Paulista Lajeado in Investco S.A., all other entities are fully consolidated.

At September 30, 2021 and December 31, 2020 and for the quarters and nine months periods ended September 30, 2021 and 2020 the noncontrolling interests in the consolidated balances refer to interests held by third parties in subsidiaries CERAN, Paulista Lajeado and not wholly-owned subsidiaries of CPFL Renováveis.

2.7 Statement of value added

The Company has prepared the individual and consolidated statements of value added ("DVA") in conformity with technical pronouncement CPC 09 - Statement of Value Added, which are presented as an integral part of the interim financial statements in accordance with accounting practices adopted in Brazil and as supplementary information to the interim financial statements in accordance with IFRS, as this statement is neither provided for nor required by IFRS.

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial information of the Group was prepared based on the same accounting policies described in note 3 – summary of significant accounting policies, disclosed in the financial statements for the year ended December 31, 2020.

(4) FAIR VALUE MEASUREMENT

A number of the Group's accounting policies and disclosures require the fair value measurement, 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, additional information on the assumptions made in the fair value measurement is disclosed in the notes specific to that asset or liability.

The Group measures fair value as the value at which an asset can be traded, or a liability settled, between interested parties, knowledgeable of the business and independent from each other, with the absence of factors that put pressure on the settlement of the transaction or that characterize a compulsory transaction.

- Property, plant and equipment, intangible assets and contract asset

The fair value of items of property, plant and equipment, intangible and contract asset 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 value are valued based on quoted prices in an active market, or, if such prices are not available, they are assessed using pricing models, applied individually to each transaction, taking into consideration future cash flows, based on the contractual conditions, discounted to present value at rates obtained from market interest curves, having as a basis, whenever available, information obtained from the websites of B3 S.A. and "*Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais – ANBIMA*" (note 34) and also includes the debtor's credit risk rate.

The right to compensation, to be paid by the Federal Government when the distribution concessionaires' assets are handed over at the end of the concession period are classified as measured at fair value through profit or loss. The methodology adopted for valuing these assets is based on the tariff review process for distributors. This process, conducted every four or five years according to each concessionaire, involves assessing the replacement price of the distribution infrastructure, in accordance with criteria established by the granting authority ("ANEEL"). This valuation basis is also used for establishing the distribution tariff, which is adjusted annually up to the next tariff review, based on main inflation indices.

Accordingly, at the time of the tariff review, each distribution concessionaire adjusts the position of the financial asset base for compensation at the amounts ratified by the granting authority and uses the Extended Consumer Price Index ("IPCA") as the best estimates for adjusting the original value until the next tariff review

process.

(5) CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Bank balances	303	9,789	157,551	481,532
Short-term financial investments	18,019	385,957	4,476,254	3,437,264
Overnight investment (a)	18,019	-	18,019	703
Private credit notes (b)	-	385,957	3,221,716	3,320,840
Investment funds (c)	-	-	1,236,518	115,721
Total	18,322	395,745	4,633,805	3,918,796

- a) Bank account balances, which earn daily interest by investment in repurchase agreements secured on Bank Certificate Deposit (CDB) and interest of 15% of the variation in the Interbank Certificate of Deposit (CDI).
- b) Short-term investments in: (i) Bank Certificates of Deposit (CDB) amounting to R\$ 2,639,944 (R\$ 2,595,585 in December 31, 2020, and (ii) secured debentures amounting to R\$ 581,772 (R\$ 725,255 in December 31, 2020). All with major financial institutions that operate in the Brazilian financial market, with daily liquidity, short term maturity, low credit risk and interest equivalent, on average, to 99.03 % of the CDI (99.67% of the CDI in December 31, 2020).
- c) Represents amounts invested in funds with high liquidity and equivalent remuneration, on average 98.93% of the CDI (81.64% of the CDI on December 31, 2020), having as characteristics post-fixed investments in CDI backed by securities federal government, CDB's, financial bills and committed debentures of large financial institutions with low credit risk and short-term maturity.

(6) MARKETABLE SECURITIES

	Consolidated	
	September 30, 2021	December 31, 2020
Through investment funds (a)	287,057	308,482
Direct investment (b)	-	1,563,597
Total	287,057	1,872,079

- (a) It represents amounts invested in government securities, Financial Bills ("FL") and Financial Treasury Bills ("FTB"), through investment fund quotas, yielding on average 98.93% (81.64% of CDI in December 31, 2020).
- (b) This refers to amounts invested in government securities and FTB, whose remuneration was equivalent on average 100% of SELIC in December, 31, 2020).

(7) CONSUMERS, CONCESSIONAIRES AND LICENSEES

The consolidated balance includes mainly activities from the supply of electric energy, broken down as follows at September 30, 2021 and December 31, 2020:

	Consolidated				
	Amounts not due	Past due		Total	
		until 90 days	> 90 days	September 30, 2021	December 31, 2020
Current					
Consumer classes					
Residential	1,130,194	691,799	102,010	1,924,004	1,683,354
Industrial	210,238	65,206	91,998	367,442	355,145
Commercial	285,746	86,457	38,322	410,526	374,824
Rural	124,410	31,102	13,333	168,846	140,061
Public administration	80,672	9,013	13,833	103,518	74,865
Public lighting	138,419	6,846	3,078	148,343	84,902
Public utilities	81,273	13,013	7,305	101,590	93,163
Billed	2,050,952	903,436	269,879	3,224,269	2,806,314
Unbilled	1,445,503	-	-	1,445,503	1,554,563
Financing of consumers' debts	247,116	62,541	51,160	360,817	330,529
CCEE transactions	521,938	14,575	3,648	540,161	411,718
Concessionaires and licensees	360,990	15,277	32,351	408,618	391,401
Others	56,869	-	-	56,869	56,365
	4,683,368	995,829	357,038	6,036,237	5,550,890
Allowance for doubtful accounts				(444,897)	(344,037)
Total				5,591,340	5,206,854
Noncurrent					
Financing of consumers' debts	171,035	-	-	171,035	193,088
Free energy	7,098	-	-	7,098	6,925
CCEE transactions	13,211	-	97,002	110,213	628,301
Total	191,344	-	97,002	288,346	828,314

Allowance for doubtful accounts ("ADA")

The allowance for doubtful accounts is set up based on the expected credit loss, adopting the simplified method of recognizing, based on the history and future probability of default. The allowance methodology is detailed in note 34.f.

Movements in the allowance for doubtful accounts are shown below:

	Consumers, concessionaires and licensees	Other assets (note 12)	Total
At December 31, 2020	(344,037)	(28,831)	(372,868)
Allowance - reversal (recognition)	(413,507)	(1,153)	(414,660)
Revenue recovery	154,304	161	154,465
Write-off of accrued receivables	158,343	(161)	158,182
At September 30, 2021	(444,897)	(29,984)	(474,881)

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(8) TAXES RECOVERABLE

	Consolidated	
	September 30, 2021	December 31, 2020
Current		
Prepayments of social contribution – CSLL	6,316	1,705
Prepayments of income tax - IRPJ	12,838	2,911
Income tax and social contribution to be offset	69,704	83,163
Income tax and social contribution to be offset	88,859	87,779
Withholding income tax - IRRF on interest on capital	1,450	1,414
Withholding income tax - IRRF	56,949	97,507
State VAT - ICMS to be offset	175,996	153,576
Social Integration Program - PIS	21,657	15,921
Contribution for Social Security Funding - COFINS	97,001	62,176
Others	3,629	6,672
Other taxes to be offset	356,682	337,266
Total current	445,541	425,045
Noncurrent		
Social contribution to be offset - CSLL	7,353	680
Income tax to be offset - IRPJ	104,145	34,735
Income tax and social contribution to be offset	111,498	35,415
State VAT - ICMS to be offset	255,538	208,066
Social Integration Program - PIS	2,906	1,378
Contribution for Social Security Funding - COFINS	8,610	5,006
Others	4,202	4,201
Other taxes to be offset	271,255	218,650
Total noncurrent	382,753	254,065

8.1 Exclusion of ICMS from PIS and COFINS calculation base

	Consolidated	
	September 30, 2021	December 31, 2020
Assets		
Current		
PIS over ICMS	88,134	-
COFINS over ICMS	411,096	-
Total current	499,230	-
Noncurrent		
PIS over ICMS	1,495,374	27,183
COFINS over ICMS	7,256,545	123,146
Total noncurrent	8,751,919	150,329

	Consolidated	
	September 30, 2021	December 31, 2020
Liabilities - PIS/COFINS consumers return		
Noncurrent	(9,051,471)	(114,484)

Some CPFL Energia subsidiaries filed lawsuits in progress involving the Federal Government claiming recognition of the right to exclude ICMS amounts from the PIS and COFINS calculation basis, as well as the right to recover amounts previously paid.

In January 2019, the subsidiary CPFL Santa Cruz had a final and unappealable decision on its action, recording tax assets to be offset and liabilities with consumers in other accounts payable to September 2021, amount to R\$ 263,860. In March 2021, in the subsidiary's tariff adjustment, the anticipation of the reversal of amounts arising from credits arising from the aforementioned lawsuit was considered, as an extraordinary negative financial component of R\$ 20,241.

In February 2021, subsidiary RGE obtained the final and unappealable decision in its lawsuit, having recognized its right to not include the ICMS amounts billed in the PIS and COFINS calculation basis, as well as to recover amounts previously paid (As of June 2002). As a result, the subsidiary recorded tax assets to be recoverable and liabilities to consumers of R\$ 2,197,769. In June 2021, the tariff adjustment considered the anticipation of the reversal of amounts arising from credits arising from the aforementioned lawsuit, as an extraordinary negative financial component of R\$ 228,800.

The recognition of PIS and COFINS credits on lawsuits that have not had final and unappealable court decisions were based on the decision of the Federal Supreme Court - STF that rejected the motion for clarification filed by the National Treasury in the records of RE No. 574,706 of May of 2021. After careful analysis of each case similarities were observed in relation to the final and unappealable actions for which the Company has already been successful, which are in line with this recent decision of the STF and, it is understood that, given the similarity of the cases and the judgment of general repercussion of the STF, the provisions of item 33 of CPC 25/IAS 37, which discusses the concept of classification of an asset considered "practically certain", are complied with.

Thus, in June 2021, the following subsidiaries recorded tax assets to be offset and liabilities to consumers: (i) RGE (R\$ 739,273, related to the company incorporated in December 2018), (ii) CPFL Santa Cruz (R\$ 127,079, related to the company incorporated in December 2017). The subsidiary CPFL Santa Cruz also recorded the difference in the credit calculated based on the criterion of exclusion of the ICMS paid, for the ICMS actually highlighted in its energy bills, (iii) CPFL Paulista (R\$ 4,087,795) and (iv) CPFL Piratininga (R\$ 1,816,859).

In October 2021, the subsidiaries CPFL Paulista and CPFL Piratininga obtained a final and unappealable decision. 2021, which did not generate an additional accounting impact since these subsidiaries had already recorded tax assets to be offset and liabilities to consumers given the similarity of the cases as described above. See note 36.2.

From the amounts highlighted above, the amounts of R\$116,050 from RGE and R\$40,798 from CPFL Santa Cruz have already been offset throughout 2021.

It is important to highlight that, based on the opinion of its legal counsel, the Company believes that for the distributors the need for refund to consumers of the amounts received after the final and unappealable court decision as PIS and COFINS tax credits is limited to the statute of limitation period of ten years. This position was raised by its parent company CPFL Energia through a contribution presented in Public Consultation No. 05/2021, still in progress.

Therefore, the accounting decision of the Group of, at this moment, not recognizing any tax credit in its favor does not mean any waiver of rights, but only serves to reflect the positioning of the aforementioned Public Consultation in progress at ANEEL.

For the subsidiary CPFL Brasil, the action became final and unappealable in October 2021, and the PIS and COFINS credit, equally as in other companies under the same circumstances, was recognized in June 2021. The approximate credit is R\$ 85,078 and was recorded in deduction of PIS/COFINS revenue and monetary updates.

(9) SECTOR FINANCIAL ASSET AND LIABILITY

The breakdown of the balances of sector financial asset and liability and the movement for the period are as follows:

	Consolidated									
	At December 31, 2020			Operating revenue (note 27)		Income or expenses (note 30)	Homologation of the PIS / COFINS credit return	At September 30, 2021		
	Deferred	Approved	Total	Constitution	Through billing	Monetary adjustment		Deferred	Approved	Total
Parcel "A"	846,468	126,225	972,694	2,598,133	(369,139)	52,621	-	2,874,160	380,147	3,254,308
CVA (*)										
CDE (**)	(1,397)	95,905	94,508	4,376	(123,237)	2,451	-	(55,621)	33,720	(21,901)
Electric energy cost	(14,381)	(284,385)	(298,765)	655,825	438,681	(2,620)	-	1,073,507	(280,388)	793,119
ESS e EER (***)	217,177	(193,807)	23,370	297,479	126,231	1,784	-	349,043	99,821	448,864
Proinfra	(4,146)	(22,590)	(26,736)	47,525	10,807	683	-	13,507	18,771	32,278
Basic network charges	300,579	86,572	387,151	112,769	(182,328)	9,106	-	194,821	131,878	326,699
Pass-through from Itaipu	627,066	413,761	1,040,827	1,676,042	(624,597)	39,384	-	1,751,026	380,629	2,131,655
Transmission from Itaipu	42,186	15,307	57,493	(13,135)	(25,182)	1,134	-	1,579	18,730	20,309
Neutrality of sector charges	(141,768)	16,554	(125,214)	28,888	(8,553)	(1,523)	-	(91,682)	(14,720)	(106,402)
Overcontracting	(178,848)	(1,092)	(179,940)	(211,635)	19,039	2,223	-	(362,020)	(8,294)	(370,313)
Other financial components	(440,264)	(91,744)	(532,008)	458,346	125,833	(4,968)	(249,041)	82,261	(284,097)	(201,836)
Total	406,204	34,481	440,686	3,056,479	(243,306)	47,654	(249,041)	2,956,421	96,050	3,052,472
Current assets			558,884							2,190,504
Noncurrent assets			108,908							927,714
Current liabilities			(41,514)							-
Noncurrent liabilities			(185,592)							(65,746)

- (*) Deferred tariff costs and gains variations from Parcel "A" items
(**) Energy Development Account – CDE
(***) System Service Charge (ESS) and Reserve Energy Charge (EER)

The details of the nature of each sector financial asset and liability are provided in Note 9 to the financial statements at December 31, 2020.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(10) DEFERRED TAX ASSETS AND LIABILITIES

10.1 Breakdown of tax assets and liabilities

	Consolidated	
	September 30, 2021	December 31, 2020
<u>Social contribution credit/(debit)</u>		
Tax losses carryforwards	141,776	196,979
Tax benefit of merged intangible	75,900	81,733
Temporarily nondeductible/taxable differences	(330,029)	(331,326)
Subtotal	(112,353)	(52,614)
<u>Income tax credit / (debit)</u>		
Tax losses carryforwards	396,226	550,159
Tax benefit of merged intangible	242,493	262,643
Temporarily nondeductible/taxable differences	(911,415)	(918,139)
Subtotal	(272,696)	(105,339)
<u>PIS and COFINS credit/(debit)</u>		
Temporarily nondeductible/taxable differences	(19,643)	(23,985)
Total	(404,692)	(181,938)
Total tax credit	410,209	585,869
Total tax debit	(814,901)	(767,807)

The expected recovery of the deferred tax assets arising from nondeductible temporary differences, tax benefit of merged intangible and income tax and social contribution losses, is based on the projections of future taxable profits.

10.2 Tax benefit of merged intangible asset

Refers to the tax benefit calculated on the intangible assets derived from the acquisition of subsidiaries, as shown in the following table, which were merged and are recognized in accordance with the concepts of CVM Instructions No. 319/1999 and No. 349/2001 and ICPC 09 (R2) - Individual Financial Statements, Separate Financial Statements, Consolidated financial statements and Application of the Equity Method. The benefit is being realized in proportion to the tax amortization of the merged intangible assets that originated them as per CPC 27 and CPC 04 (R1) - Clarification of acceptable methods of depreciation and amortization, over the remaining concession period, as shown in note 15.

	Consolidated			
	September 30, 2021		December 31, 2020	
	Social Contribution	Income tax	Social Contribution	Income tax
CPFL Paulista	28,525	79,237	31,994	88,873
CPFL Piratininga	7,333	25,167	8,110	27,832
RGE	40,042	129,582	41,629	136,137
CPFL Renováveis	-	8,507	-	9,800
Total	75,900	242,493	81,733	262,643

10.3 Accumulated balances on nondeductible temporary / taxable differences

	Consolidated					
	September 30, 2021			December 31, 2020		
	Social Contribution	Income tax	PIS/COFINS	Social Contribution	Income tax	PIS/COFINS
Temporarily nondeductible/ taxable differences						
Provision for tax, civil and labor risks	33,533	93,148	-	42,961	119,337	-
Private pension fund	9,102	25,284	-	5,283	14,674	-
Allowance for doubtful accounts	43,065	119,624	-	33,927	94,241	-
Research and development and energy efficiency programs	21,748	60,410	-	23,990	66,638	-
Personnel-related provisions	4,901	13,615	-	7,066	19,629	-
Depreciation rate difference	2,980	8,276	-	3,477	9,657	-
Derivatives	(122,508)	(340,299)	-	(174,570)	(484,916)	-
Recognition of concession - adjustment of intangible asset	(3,951)	(10,974)	-	(4,521)	(12,558)	-
Recognition of concession - adjustment of financial asset	(274,241)	(761,780)	-	(206,554)	(579,845)	-
Actuarial losses	25,153	69,870	-	25,798	71,660	-
Fair value measurement - Derivatives	1,280	3,556	-	(12,634)	(35,094)	-
Fair value measurement - Debts	(9,802)	(27,228)	-	2,661	7,389	-
Other	(19,532)	(50,491)	(19,643)	(20,270)	(59,374)	(23,985)
Temporarily nondeductible differences - accumulated comprehensive income:						
Property, plant and equipment - adjustment of deemed cost	(39,973)	(111,036)	-	(40,438)	(112,327)	-
Actuarial losses	189,514	526,429	-	189,514	526,429	-
Fair value measurement - Derivatives	702	1,950	-	1,519	4,222	-
Fair value measurement - Debts	(2,988)	(8,301)	-	(8,164)	(22,678)	-
Temporarily nondeductible differences - business combination						
Deferred taxes - asset:						
Provision for tax, civil and labor risks	9,346	25,960	-	10,209	28,357	-
Fair value of property, plant and equipment (negative value added of assets)	16,075	44,653	-	16,965	47,125	-
Deferred taxes - liability:						
Fair value of property, plant and equipment (value added of assets)	-	-	-	-	-	-
Value added derived from determination of deemed cost	(15,973)	(44,370)	-	(18,323)	(50,897)	-
Intangible asset - exploration right/authorization in indirect subsidiaries acquired	(194,446)	(538,564)	-	(205,445)	(559,317)	-
Other temporary differences	(3,778)	(10,494)	-	(3,778)	(10,494)	-
Total	(330,029)	(911,415)	(19,643)	(335,847)	(930,697)	(23,985)

10.4 Reconciliation of the income tax and social contribution amounts recognized in the statements of profit or loss for the quarters and nine-month period ended by September 30, 2021 and 2020:

	Parent Company				Consolidated			
	Social Contribution				Social Contribution			
	2021	2020	2021	2020	2021	2020	2021	2020
	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter 2021	Nine months	3rd quarter	Nine months
Profit before taxes	1,439,384	3,507,586	1,383,714	2,725,414	1,971,754	5,006,347	1,380,469	3,473,950
Reconciliation to reflect effective rate:								
Equity in subsidiaries, associates and joint ventures	(1,435,816)	(3,513,878)	(1,397,540)	(2,754,930)	(206,090)	(367,405)	(95,645)	(265,839)
Amortization of intangible asset acquired	(3,382)	(10,146)	(3,382)	(10,146)	12,162	36,486	12,162	36,486
Effect of presumed profit system	-	-	-	-	(358,922)	(605,076)	(231,310)	(356,839)
Adjustment of revenue from excess demand and excess reactive power	-	-	-	-	40,480	132,434	34,989	103,664
Interest on equity	105,272	105,272	103,840	103,840	-	-	-	-
Other permanent additions (exclusions), net	1,798	10,291	3,249	17,190	(10,183)	87,045	32,224	156,378
Tax base	107,256	99,125	89,881	81,368	1,449,201	4,269,831	1,132,889	3,147,800
Statutory rate	9%	9%	9%	9%	9%	9%	9%	9%
Tax credit/(debit)	(9,652)	(8,921)	(8,089)	(7,323)	(130,428)	(384,285)	(101,960)	(283,302)
Tax credit adjustments	-	(3,791)	(3,785)	(3,785)	(13,723)	(15,384)	92,176	78,916
Provision for tax risks	-	-	-	-	(835)	(1,707)	(425)	(852)
Total	(9,653)	(12,712)	(11,874)	(11,108)	(144,987)	(401,377)	(10,207)	(205,238)
Current	(4,745)	(4,745)	(4,399)	(4,400)	(73,788)	(337,280)	(50,861)	(90,256)
Deferred	(4,908)	(7,967)	(7,475)	(6,708)	(71,199)	(64,097)	40,654	(114,982)

	Parent Company				Consolidated			
	Income tax				Income tax			
	2021		2020		2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter 2021	Nine months	3rd quarter	Nine months
Profit before taxes	1,439,384	3,507,586	1,383,714	2,725,414	1,971,754	5,006,347	1,380,469	3,473,950
Reconciliation to reflect effective rate:								
Equity in subsidiaries, associates and joint ventures	(1,435,816)	(3,513,878)	(1,397,540)	(2,754,930)	(206,090)	(387,405)	(95,645)	(265,839)
Amortization of intangible asset acquired	-	-	-	-	15,689	47,067	15,689	47,067
Effect of presumed profit system	-	-	-	-	(388,346)	(672,380)	(255,001)	(412,215)
Adjustment of revenue from excess demand and excess reactive power	-	-	-	-	40,480	132,434	34,989	103,664
Interest on equity	105,272	105,272	103,840	103,840	-	-	-	-
Other permanent additions (exclusions), net	2,683	14,039	5,558	26,575	(12,375)	44,689	29,803	165,061
Tax base	111,523	113,019	95,572	100,899	1,421,112	4,170,752	1,110,304	3,111,688
Statutory rate	25%	25%	25%	25%	25%	25%	25%	25%
Tax credit/(debit)	(27,880)	(28,255)	(23,893)	(25,225)	(355,278)	(1,042,688)	(277,576)	(777,922)
Tax credit adjustments	-	(10,658)	(10,513)	(10,513)	(35,694)	(39,196)	258,902	227,304
Provision for tax risks	-	-	-	-	-	-	-	(172)
Total	(27,881)	(38,913)	(34,406)	(35,737)	(390,971)	(1,081,884)	(18,673)	(550,790)
Current	(15,608)	(15,608)	(15,533)	(15,633)	(195,636)	(902,421)	(135,519)	(235,313)
Deferred	(12,273)	(23,305)	(18,873)	(20,104)	(195,335)	(179,463)	116,846	(315,477)

Adjustments to tax credits – refers to the liquid between (i) the tax credit of the tax credit on tax losses, recorded due to the review of projections of future profits and (ii) portion of unrecognized tax credit corresponding the loss generated for which, at the moment, there is no probable assurance of generation of sufficient future taxable profits for its absorption.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(11) CONCESSION FINANCIAL ASSET

	Consolidated
At December 31, 2020	10,347,567
Noncurrent	10,347,567
Transfer - contract asset	1,223,639
Transfer - intangible asset	(3,917)
Fair value adjustment	771,921
Disposals	(55,828)
At September 30, 2021	12,283,382
Noncurrent	12,283,382

The amount refers to the financial asset corresponding to the right established in the concession agreements of the energy distributors to receive cash by compensation upon the return of the assets to the granting authority at the end of the concession, measured at fair value.

According to the current tariff model, the remuneration for this asset is recognized in profit or loss upon billing to consumers and the realization occurs upon receipt of the electric energy bills. Moreover, the difference to adjust the balance at fair value (new replacement value – “NRV” - note 4) is recognized as a balancing item to the operating income account (note 27) in the statement of profit or loss for the period.

In nine months periods of 2021, the balance of write-offs of R\$ 55,828 (R\$ 24,104 in nine months periods of 2020) refers to (i) write-off of the adjustment related to the asset in the amount of R\$ 19,852 (R\$ 9,867 in nine months periods of 2020) and (ii) write-off of the asset of R\$ 35,976 (R\$ 14,238 in nine months periods of 2020).

(12) OTHER ASSETS

	Consolidated			
	Current		Noncurrent	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Advances - Pension plan	8,269	8,621	6,797	6,797
Advances to suppliers	167,192	123,325	-	-
Pledges, funds and restricted deposits	883	1,592	17,754	13,994
Orders in progress	404,804	307,042	11,822	10,813
Services rendered to third parties	35,428	17,747	-	-
Energy pre-purchase agreements	-	-	4,967	7,751
Prepaid expenses	74,244	83,542	16,773	10,860
Receivables - CDE	167,038	142,403	-	-
Advances to employees	41,917	22,674	-	-
Others	220,252	205,709	143,670	121,924
(-) Allowance for doubtful debts (note 7)	(29,984)	(28,831)	-	-
Total	1,090,044	883,824	201,783	172,140

Advances to suppliers – Refers mainly to advances to suppliers of projects under construction of generation and transmission companies.

Orders in progress: encompass costs and revenues related to ongoing decommissioning or disposal of intangible assets and the service costs related to expenditure on projects in progress under the Energy Efficiency (“PEE”) and Research and Development programs (“P&D”). Upon the closing of the respective projects, the balances are amortized against the respective liability recognized in Other Payables (note 24).

Receivables – CDE: refer to: (i) low-income subsidies amounting to R\$ 29,704 (R\$ 26,663 at December 31, 2020), (ii) other tariff discounts granted to consumers amounting to R\$ 137,334 (R\$ 115,740 at December 31, 2020).

(13) INVESTMENTS

	Parent Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Equity method				
By equity method of the subsidiary and joint venture	15,570,452	11,594,504	1,168,832	1,007,016
Advances for future capital increases	-	1,092,000	-	-
Subtotal	15,570,452	12,686,504	1,168,832	1,007,016
Fair value of assets, net	435,872	490,146	8,407	8,902
Goodwill	6,054	6,054	-	-
Total	16,012,378	13,182,704	1,177,239	1,015,918

13.1 Equity interests – equity method

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

	September 30, 2021				September 30, 2021	December 31, 2020	Nine months 2021	Nine months 2020
	Total assets	Issued capital	Equity	Profit or loss for the period	Share of equity of investees	Share of profit (loss) of investees		
Investment								
CPFL Paulista	18,566,357	1,343,323	1,694,925	934,996	1,694,925	839,291	934,996	712,243
CPFL Piratininga	7,527,630	258,497	531,384	369,474	531,384	188,193	369,474	263,856
CPFL Santa Cruz	2,259,648	170,413	573,757	61,387	573,757	529,951	61,387	66,732
RGE	15,622,111	2,831,534	4,254,600	692,478	3,739,216	3,128,857	624,804	478,590
CPFL Geração	6,067,217	2,022,783	5,433,799	880,392	5,433,799	4,558,486	880,392	890,224
CPFL Renováveis	10,842,625	4,032,292	6,118,675	1,005,344	3,007,328	2,882,354	494,126	226,041
CPFL Jaguari Geração	64,458	40,108	48,183	15,929	48,183	56,775	15,929	7,095
CPFL Brasil	1,426,105	3,000	92,104	91,893	92,104	89,871	91,893	82,122
CPFL Planalto	6,349	630	1,707	3,112	1,707	4,926	3,112	3,346
CPFL Serviços	348,759	150,929	181,217	18,594	181,217	183,179	18,594	26,784
CPFL Atende	31,766	5,991	15,596	9,788	15,596	12,211	9,788	8,316
CPFL Infra	14,615	38	3,855	3,257	3,855	598	3,257	1,064
CPFL Pessoas	14,380	811	4,679	8,576	4,679	5,183	8,576	6,201
CPFL Finanças	23,719	385	8,873	11,411	8,873	8,047	11,411	10,482
CPFL Supre	10,237	826	3,666	5,184	3,666	3,652	5,184	3,891
CPFL Total	63,360	9,005	19,554	23,418	-	-	-	21,396
CPFL Telecom	3,683	1,928	3,272	42	3,272	3,231	42	40
CPFL Centrais Geradoras	-	-	-	-	-	-	-	(214)
CPFL Eficiência	154,463	95,234	145,342	11,556	145,342	133,786	11,556	2,388
AUTHI	23,293	10	12,603	178	12,603	12,425	178	560
CPFL Alesta	73,501	38,126	68,944	23,454	68,944	45,490	23,454	-
Subtotal - by subsidiary's equity					15,570,452	12,686,504	3,568,153	2,811,157
Amortization of fair value adjustment of assets					-	-	(54,275)	(56,225)
Total					15,570,452	12,686,504	3,513,878	2,754,930
Investment					15,570,452	11,594,504		
Advances for future capital increases					-	1,092,000		

Asset surplus (value added) of net assets acquired in business combinations are classified in the parent's statement of profit or loss in the group of Investments. In the parent company's statement of profit or loss, the amortization of the asset surplus (value added) of net assets of R\$ 54,275 (R\$ 56,225 in the nine months periods of 2020) is classified in line item "share of profit (loss) of investees", in conformity with ICPC 09 (R2).

The movements, in the parent company, of the balances of investments in subsidiaries for the period are as follows:

Investment	Investment at December 31, 2020	Capital increase /payment of capital	Share of profit (loss) of investees	Other comprehensive income	Dividend and Interest on capital	Advances for future capital increases	Others	Investment at September 30, 2021
CPFL Paulista	839,291	-	934,996	(8,857)	(70,504)	-	-	1,694,925
CPFL Piratininga	188,193	-	369,474	(7,880)	(18,403)	-	-	531,384
CPFL Santa Cruz	529,951	-	61,387	(1,400)	(16,181)	-	-	573,757
RGE	3,128,857	-	624,804	(14,446)	-	-	-	3,739,216
CPFL Geração	4,558,486	1,087,000	880,392	(150)	-	(1,087,000)	(4,929)	5,433,799
CPFL Renováveis	2,882,354	-	494,126	(144)	(367,634)	-	(1,375)	3,007,328
CPFL Jaguari Geração	56,775	-	15,929	-	(24,521)	-	-	48,183
CPFL Brasil	89,871	-	91,893	(1,783)	(87,876)	-	-	92,104
CPFL Planalto	4,926	-	3,112	-	(6,330)	-	-	1,707
CPFL Serviços	183,179	-	18,594	-	(20,555)	-	-	181,217
CPFL Atende	12,211	-	9,788	-	(6,404)	-	-	15,596
CPFL Infra	598	-	3,257	-	-	-	-	3,855
CPFL Pessoas	5,183	-	8,576	-	(9,080)	-	-	4,679
CPFL Finanças	8,047	-	11,411	-	(10,584)	-	-	8,873
CPFL Supre	3,652	-	5,184	-	(5,170)	-	-	3,666
CPFL Telecom	3,231	-	42	-	-	-	-	3,272
CPFL Eficiência	133,786	5,000	11,556	-	-	(5,000)	-	145,342
AUTHI	12,425	-	178	-	-	-	-	12,603
CPFL Alesta	45,490	-	23,454	-	-	-	-	68,944
	12,686,504	1,092,000	3,568,153	(34,658)	(643,242)	(1,092,000)	(6,303)	15,570,452

In the consolidated, the investment balances refer to interests in joint ventures accounted for using the equity method:

	September 30, 2021	December 31, 2020	Nine months 2021	Nine months 2020
Investments in joint ventures				
	Share of equity		Share of profit (loss)	
Baesa	143,034	170,166	(3,377)	(8,842)
Enercan	317,923	279,064	151,689	110,919
Chapecoense	449,848	319,723	188,183	110,550
EPASA	258,027	238,062	51,345	53,647
Fair value adjustments of assets, net	8,407	8,902	(435)	(435)
	1,177,239	1,015,918	387,405	265,839

13.2 Fair value adjustments and goodwill

Fair value adjustments refer basically to the right to the concession acquired through business combinations. The goodwill refers basically to acquisitions of investments and is based on projections of future profits.

In the interim financial statements, these amounts are classified as Intangible Assets (note 16).

13.3 Dividends and interest on capital receivable

At September 30, 2021 and December 31, 2020, the Company has the following amounts receivable from the subsidiaries below, relating to dividends and interest on capital:

Subsidiary	Parent Company					
	Dividend		Interest on capital		Total	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
CPFL Paulista	-	142,692	59,929	88,151	59,929	230,843
CPFL Piratininga	236,473	320,186	15,643	28,191	252,116	348,377
CPFL Santa Cruz	-	3,337	13,753	19,206	13,753	22,543
RGE	-	145,362	-	-	-	145,362
CPFL Geração	-	205,120	-	87,820	-	292,940
Jaguari de Geração	16,208	11,042	-	-	16,208	11,042
CPFL Brasil	-	-	-	1,315	-	1,315
CPFL Planalto	3,848	-	-	-	3,848	-
CPFL Serviços	17,445	6,852	-	-	17,445	6,852
CPFL Atende	6,219	-	736	580	6,955	580
CPFL Infra	2,196	4,000	-	-	2,196	4,000
CPFL Finanças	8,000	-	-	-	8,000	-
AUTHI	10,000	10,000	-	-	10,000	10,000
CPFL Renováveis	-	92,509	-	-	-	92,509
CPFL Pessoas	4,870	-	-	-	4,870	-
CPFL Supre	2,509	-	-	-	2,509	-
CPFL Alesta	-	108	-	-	-	108
	307,768	941,208	90,061	225,263	397,829	1,166,469

The consolidated balance includes dividends and interest on capital receivable amounting to R\$ 183,331 at September 30, 2021 (R\$ 80,647 at December 31, 2020), related basically to joint ventures.

13.4 Noncontrolling interests and joint ventures

The disclosure of interests in subsidiaries, in accordance with IFRS 12 and CPC 45, is as follows:

13.4.1 Movements in noncontrolling interests

	CERAN	LUDESA	Other subsidiaries of CPFL Renováveis	Paulista Lajeado	Total
At December 31, 2020	107,485	37,907	67,746	86,864	300,001
Equity interest and voting capital	35.00%	40.00%	Between 5% and 10%	40.07%	
Equity attributable to noncontrolling interests	36,919	15,674	1,783	12,749	67,125
Gain (loss) on interest with no change in control	-	-	2,796	-	2,796
Dividends	(31,037)	(12,233)	(2,790)	(19,226)	(65,286)
Other movements	-	-	-	(127)	(127)
At September 30, 2021	113,367	41,347	69,534	80,259	304,508
Equity interest and voting capital	35.00%	40.00%	Between 5% and 10%	40.07%	

13.4.2 Summarized financial information on subsidiaries that have noncontrolling interests

The summarized financial information on subsidiaries that have noncontrolling interests at September 30, 2021 and December 31, 2020 and the nine-month period ended at September 30, 2021 and 2020, is as follows:

BALANCE SHEET

	September 30, 2021				December 31, 2020			
	CERAN	LUDESA	Other subsidiaries of CPFL Renováveis	Paulista Lajeado	CERAN	LUDESA	Other subsidiaries of CPFL Renováveis	Paulista Lajeado
Current assets	197,442	14,307	103,306	38,014	48,362	10,470	122,038	26,472
Cash and cash equivalents	158,251	5,130	52,843	23,420	14,580	2,918	20,968	18,458
Noncurrent assets	769,091	93,352	505,279	124,644	755,415	88,636	373,666	151,258
Current liabilities	321,218	4,292	98,504	36,944	237,318	4,340	87,983	37,039
Borrowings and debentures	108,723	-	25,918	-	105,718	-	47,429	-
Other financial liabilities	35,253	1,881	10,274	2,727	22,551	927	11,895	2,132
Noncurrent liabilities	321,410	-	129,837	800	259,359	-	107,965	792
Borrowings and debentures	105,883	-	113,896	-	105,531	-	-	-
Other financial liabilities	127,262	-	-	-	112,055	-	-	-
Equity	323,906	103,368	380,245	124,914	307,100	94,767	299,756	139,899
Equity attributable to owners of the Company	210,539	62,021	310,711	44,655	199,615	56,860	232,010	53,035
Equity attributable to noncontrolling interests	113,367	41,347	69,534	80,259	107,485	37,907	67,746	86,864

PROFIT OR LOSS

	Nine months 2021				Nine months 2020			
	CERAN	LUDESA	Other subsidiaries of CPFL Renováveis	Paulista Lajeado	CERAN	LUDESA	Other subsidiaries of CPFL Renováveis	Paulista Lajeado
Net operating revenue	259,884	41,749	86,263	47,909	218,732	36,198	41,763	28,071
Operational costs and expenses	(34,600)	2,429	(28,858)	(19,327)	(54,393)	(2,491)	(10,229)	(16,586)
Depreciation and amortization	(32,055)	(3,727)	(10,855)	(2)	(32,805)	(3,711)	(14,309)	(2)
Interest income	2,227	85	1,792	473	1,552	44	1,684	297
Interest expense	(35,489)	-	(6,692)	-	(26,883)	-	(8,683)	-
Income tax expense	(54,147)	(1,359)	(4,349)	(3,802)	(36,133)	(1,172)	(1,680)	(1,908)
Profit (loss) for the year	105,483	39,184	42,677	31,816	70,397	28,895	7,190	14,002
Attributable to owners of the Company	68,564	23,510	40,894	19,067	45,758	17,337	9,269	10,680
Attributable to noncontrolling interests	36,919	15,674	1,783	12,749	24,639	11,558	(2,079)	3,322

13.4.3 Joint ventures

The summarized financial information on joint ventures at September 30, 2021 and December 31, 2020 and the nine-month periods ended at September 30, 2021 and 2020, is as follows:

BALANCE SHEET

	September 30, 2021				December 31, 2020			
	Enercan	Baesa	Chapecoense	Epasa	Enercan	Baesa	Chapecoense	Epasa
Current assets	304,910	118,656	594,325	513,429	265,347	88,780	265,109	349,437
Cash and cash equivalents	107,083	55,634	258,938	59,478	108,113	15,338	122,642	104,598
Noncurrent assets	1,078,108	1,077,283	2,408,790	298,815	1,036,903	1,062,369	2,328,892	382,076
Current liabilities	533,954	185,523	496,264	185,861	446,195	74,545	371,414	90,428
Borrowings and debentures	128,189	-	137,762	16,447	129,386	-	138,128	35,583
Other financial liabilities	56,520	121,005	96,717	100,092	19,681	49,934	97,902	8,555
Noncurrent liabilities	196,552	440,415	1,624,797	142,675	283,300	396,099	1,595,678	194,804
Borrowings and debentures	-	-	676,524	30,612	127,895	-	778,003	80,750
Other financial liabilities	34,881	373,219	862,246	-	30,165	321,150	789,590	-
Equity	652,511	572,002	882,054	483,708	572,756	680,505	626,909	446,282

PROFIT OR LOSS

	Nine months 2021				Nine months 2020			
	Enercan	Baesa	Chapecoense	Epasa	Enercan	Baesa	Chapecoense	Epasa
Net operating revenue	635,605	292,760	781,700	914,392	527,905	132,861	693,108	201,562
Operational costs and expenses	(111,377)	(188,305)	25,622	(733,550)	(133,715)	(103,332)	(150,899)	(48,714)
Depreciation and amortization	(42,554)	(37,978)	(82,403)	(67,941)	(37,317)	(38,054)	(93,518)	(26,096)
Interest income	3,903	1,375	8,068	2,271	2,496	671	7,516	3,345
Interest expense	(15,134)	(91,582)	(176,461)	(3,714)	(13,566)	(45,006)	(132,064)	(8,043)
Income tax expense	(159,216)	10,190	(187,979)	(14,236)	(117,265)	17,574	(111,827)	(24,193)
Profit (loss) for the year	311,329	(13,506)	368,987	96,253	227,651	(35,358)	216,765	100,569
Equity interests and voting capital	48.72%	25.01%	51.00%	53.34%	48.72%	25.01%	51.00%	53.34%

Even holding more than 50% of the equity interest in Epasa and Chapecoense, the subsidiary CPFL Geração jointly controls these investments with other shareholders. The analysis of the classification of the type of investment is based on the Shareholders' Agreement of each joint venture.

The borrowings from BNDES obtained by the joint venture Chapecoense establish restrictions on the payment of dividend to subsidiary CPFL Geração above the minimum mandatory dividend of 25% without the prior consent of BNDES.

13.4.4 Joint operation

Through its wholly-owned subsidiary CPFL Renováveis, the Company holds part of the assets of the Serra da Mesa hydropower plant, located on the Tocantins River, in Goiás State. The concession and the right to operate the hydropower plant are held by Furnas Centrais Elétricas S.A. In order to maintain these assets operating jointly with Furnas (jointly operation), CPFL Renováveis was assured 51.54% of the installed power of 1,275 MW (657 MW) and the assured energy of mean 637.5 MW (mean 328.57 MW), until 2028.

(14) PROPERTY, PLANT AND EQUIPMENT

	Consolidated							
	Lands	Reservoirs, dams and water mains	Buildings, construction and improvements	Machinery and equipment	Vehicles	Furniture and fittings	In progress	Total
At December 31, 2020	163,704	1,261,720	928,176	5,896,883	53,101	7,396	486,923	8,797,903
Historical cost	223,864	2,244,143	1,650,990	10,065,688	124,042	24,752	486,923	14,820,404
Accumulated depreciation	(60,160)	(982,424)	(722,814)	(4,168,805)	(70,941)	(17,357)	-	(6,022,500)
Additions	-	-	-	-	-	-	389,466	389,466
Disposals	-	-	(31,658)	(628)	(1,861)	-	(19)	(34,166)
Transfers	2,653	1,168	73,881	443,556	11,375	1,131	(533,763)	-
Transfers from/to other assets	-	-	-	(156)	-	-	-	(156)
Depreciation	(3,514)	(40,810)	(39,607)	(326,872)	(11,476)	(709)	-	(422,988)
Write-off of depreciation	-	-	6,382	1,645	1,392	-	-	9,418
At September 30, 2021	162,843	1,222,077	937,174	6,014,427	52,530	7,818	342,607	8,739,476
Historical cost	226,517	2,245,311	1,692,979	10,499,890	133,280	25,637	342,607	15,166,220
Accumulated depreciation	(63,674)	(1,023,233)	(755,805)	(4,485,463)	(80,750)	(17,819)	-	(6,426,744)
Average depreciation rate	3.86%	2.38%	3.17%	4.18%	14.99%	5.49%		

The balance of construction in progress, in the consolidated balances, refers mainly to works in progress of operating and/or under development subsidiaries, especially for the projects of CPFL Renováveis, which has construction in progress of R\$ 264,580 (R\$ 419,814 at December 31, 2020), highlight for maintenance works especially in wind farms.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(15) CONTRACT ASSET

	Distribution	Transmission	Consolidated
At December 31, 2020	1,438,634	429,103	1,867,737
Current	-	24,833	24,833
Noncurrent	1,438,634	404,271	1,842,905
Additions	2,183,088	89,862	2,272,950
Transfer - intangible assets in service	(624,854)	-	(624,854)
Transfer - financial assets	(1,223,639)	-	(1,223,639)
Monetary adjustment	-	16,175	16,175
Cash inputs - RAP	-	(18,670)	(18,670)
At September 30, 2021	1,773,229	516,471	2,289,701
Current	-	27,238	27,238
Noncurrent	1,773,229	489,233	2,262,462

Contractual asset of distribution companies: Refers to concession infrastructure assets of the distribution companies during the construction period.

Contract asset of transmission companies: refers to the right to receive the “Permitted Annual Revenue – RAP” over the concession period as well as an indemnity at the end of the concession of the transmission subsidiaries.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(16) INTANGIBLE ASSETS

	Goodwill	Consolidated				Total
		Acquired in business combinations	Concession right Distribution infrastructure - operational	Public utilities/Concession asset	Other intangible assets	
At December 31, 2020	6,115	3,182,597	5,605,725	76,809	98,390	8,969,637
Historical cost	6,152	7,495,458	13,508,846	91,003	274,187	21,375,646
Accumulated amortization	(37)	(4,312,861)	(7,903,120)	(14,194)	(175,797)	(12,406,009)
Additions	-	-	-	175,904	16,190	192,094
Amortization	-	(215,354)	(642,440)	(1,065)	(13,134)	(871,993)
Transfer - contract assets	-	-	624,854	-	-	624,854
Transfer - financial asset	-	-	2,890	-	1,027	3,917
Disposal and transfer - other assets	-	(1,360)	(48,361)	-	(295)	(50,016)
At September 30, 2021	6,115	2,965,882	5,542,668	251,648	102,177	8,868,490
Historical cost	6,152	7,495,457	14,088,227	266,907	260,540	22,117,283
Accumulated amortization	(37)	(4,529,575)	(8,545,560)	(15,259)	(158,363)	(13,248,793)

In the consolidated financial statements the amortization of intangible assets is recognized as follows: (i) “depreciation and amortization” for amortization of distribution infrastructure intangible assets, use of public asset and other intangible assets; and (ii) “amortization of concession intangible asset” for amortization of the intangible asset acquired in business combination.

GSF (Generation Scaling Factor)

On September 9, 2020, Law No. 14,052 was published, establishing mainly new conditions for the renegotiation of the hydrological risk of electricity generation, with a view to compensating for non-hydrological risks to plants participating in the Energy Reallocation Mechanism – MRE. On December 1, 2020, Aneel

approved Normative Resolution (REN) No. 895, which regulates Law No. 14,052/2020 and which should allow for the normality of Short-Term Market settlements, market recovery and efficiency, with a reduction the perception of risk in the electricity sector.

Based on this resolution, the CCEE (Câmara de Comercialização de Energia Elétrica) presented to the market and to ANEEL the individual calculations per plant with the respective extension period for each grant.

On March 30, 2021, REN No. 930 was published, rectifying the understanding on the scope of benefits and granting compensation to generators that renegotiated energy from the regulated contracting environment (ACR) for the years 2012 to 2014.

After publication of REN no. 930/2021, the Federal Court of Accounts (TCU) presented a representation requesting clarification from ANEEL and determining the abstention from the practice of any act arising from REN no. 930/2021, including the approval of compensation amounts or extend the grant period for plants that are part of the MRE that adhere to art. 2 of Law No. 14.052/2020, until the merits of the representation were analyzed.

On July 13, 2021, however, Law No. 14.182/2021 was enacted, which reworded Law No. 13.203/2015, extending the calculation of the grant extension period of the plants that renegotiated the hydrological risk and including the structuring plants in the calculation of financial compensation and grant extension

As a result of the changes described, in September 2021 the Company's consolidated financial statements had the impact of recording (i) R\$ 174,572 in intangible assets against the cost of electricity, from the indirect subsidiaries of CPFL Renováveis and CERAN and (ii) R\$98,919 in the consolidated investment with a corresponding entry to the equity method, arising from jointly-controlled subsidiaries Foz do Chapecó, ENERCAN and BAESA.

Other Information on the concession intangible related to the GSF (Generation Scaling Factor) is disclosed in notes 3.6 and 16.2 of the financial statements for the year ended December 31, 2020 .

Intangible asset acquired in business combinations

The breakdown of the intangible asset related to the right to operate the concessions acquired in business combinations is as follows:

	Consolidated					
	September 30, 2021			December 31, 2020	Annual amortization rate	
	Historic cost	Accumulated amortization	Net value	Net value	2021	2020
Intangible asset - acquired in business combinations						
Intangible asset acquired and not merged						
CPFL Paulista	304,861	(244,448)	60,413	67,902	3.28%	3.28%
CPFL Piratininga	39,065	(29,895)	9,170	10,141	3.31%	3.31%
RGE	3,768	(2,677)	1,091	1,223	4.67%	4.67%
CPFL Geração	54,555	(42,408)	12,147	13,531	3.38%	3.38%
Jaguari Geração	7,896	(4,863)	3,033	3,236	3.41%	3.41%
CPFL Renováveis	3,653,906	(1,502,259)	2,151,648	2,271,452	4.37%	4.71%
Subtotal	4,064,051	(1,826,549)	2,237,502	2,367,486		
Intangible asset acquired and merged						
RGE	1,433,007	(1,114,366)	318,641	357,683	3.63%	3.63%
CPFL Renováveis (CPFL Geração on December 31, 2019)	426,450	(360,837)	65,612	73,087	2.34%	2.34%
Subtotal	1,859,457	(1,475,203)	384,253	430,769		
Intangible asset acquired and merged – reassembled						
CPFL Paulista	1,074,026	(875,432)	198,594	222,747	3.00%	3.00%
CPFL Piratininga	115,762	(88,588)	27,173	30,050	3.31%	3.31%
Jaguari Geração	15,275	(10,101)	5,174	5,518	3.01%	3.01%
RGE	366,887	(253,701)	113,186	126,025	4.67%	4.67%
Subtotal	1,571,950	(1,227,823)	344,127	384,340		
Total	7,495,458	(4,529,575)	2,965,882	3,182,597		

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(17) SUPPLIERS

	Consolidated	
	September 30, 2021	December 31, 2020
Current		
System service charges	237,336	275,379
Energy purchased	3,426,250	2,571,296
Electricity network usage charges	299,525	336,451
Materials and services	597,168	558,390
Free market energy	172,240	168,001
Total	4,732,519	3,909,517
Noncurrent		
Energy purchased	371,332	431,037
Materials and services	12,135	25,621
Total	383,468	456,658

(18) BORROWINGS AND FINANCINGS

The movement in borrowings and financings are as follows:

Category	Consolidated						At September 30, 2021
	At December 31, 2020	Raised	Repayment	Interest, monetary adjustment and fair value measurement	Exchange rates variation	Interest paid	
Local currency							
Measured at cost							
Pre fixed	8,691	-	(2,674)	5,306	-	(5,310)	6,013
Post fixed							
TJLP	476,405	-	(39,062)	21,894	-	(22,021)	437,217
IPCA	2,791,276	1,724,988	(172,466)	304,648	-	(94,139)	4,554,307
CDI	129,843	-	(33,800)	2,617	-	(2,281)	96,379
IGP-M	38,922	-	(11,968)	8,884	-	(2,478)	33,360
Subtotal	3,445,137	1,724,988	(259,970)	343,349	-	(126,228)	5,127,276
Measured at fair value							
Pre fixed	-	572,000	-	15,376	-	(10,700)	576,676
Fair value measurement	-	-	-	(37,256)	-	-	(37,256)
Subtotal	-	572,000	-	(21,879)	-	(10,700)	539,420
Total at local currency	3,445,137	2,296,988	(259,970)	321,469	-	(136,929)	5,666,697
Borrowing costs (*)	(49,894)	-	-	3,679	-	-	(46,216)
Foreign currency							
Measured at fair value							
Dollar	5,072,184	682,000	(1,882,057)	85,361	210,348	(102,466)	4,065,371
Euro	3,053,302	-	(595,759)	13,538	(47,686)	(13,946)	2,409,448
Fair value measurement	(98,695)	-	-	96,778	-	-	(1,917)
Total at foreign currency	8,026,792	682,000	(2,477,816)	195,677	162,662	(116,411)	6,472,903
Total	11,422,035	2,978,988	(2,737,786)	520,824	162,662	(253,340)	12,093,383
Current	2,797,195						1,556,543
Noncurrent	8,624,840						10,536,840

(*) In accordance with CPC 48/IFRS 9, this refers to borrowing costs directly attributable to the issuance of the respective debts, measured at cost.

The detail on borrowings and financings are as follows:

Category	Annual interest		Consolidated		Maturity range	Collateral
			September 30, 2021	December 31, 2020		
Measured at cost - Local currency						
Pre fixed						
FINAME	Fixed rate from 2.5% to 10%	(a)	6,013	8,691	2012 to 2024	(i) Liens on equipment; (ii) Pledge and liens on credit rights; (iii) Reserve, centralizing and receivables accounts; (iv) CPFL Renováveis, CPFL Energia e State Grid Brazil Power guarantee
Post Fixed						
TJLP						
FINEM	TJLP e TJLP + from 1.72% to 5.5%	(b)	436,534	474,288	2012 to 2039	(i) Pledge and liens on equipment; (ii) Pledge and liens on credit rights (iii) Reserve, centralizing and receivables accounts; (iv) Pledge of shares (v) Pledge of emergents rights authorized by ANEEL; (vi) Pledge of beneficiary shares; (vii) CPFL Renováveis, CPFL Energia and State Grid Brazil Power guarantee; (viii) Bank guarantee
FINEP	TJLP + 5% to 6%		683	2,117	2017 to 2022	Bank guarantee
			437,217	476,405		
IPCA						
FINEM	IPCA + 4.27% to 4.80%		4,350,487	2,791,276	2020 to 2040	CPFL Energia guarantee and receivables
BNB	IPCA + from 1.06 to 2.08%		203,820	-	2022 to 2044	Bank guarantee
			4,554,307	2,791,276		
CDI						
Bank loans	(i) 105% of CDI (ii) CDI - 1.25% a + 1.90%	(c)	96,379	129,843	2012 to 2023	(i) CPFL Energia guarantee; (ii) Structure of redeemable preferred shares and (iii) CPFL Renováveis guarantee
IGPM						
Bank loans	IGPM + 8.63%		33,360	38,922	2023	(i) Liens on equipment and receivables (ii) Pledge of shares of SPE and rights authorized by ANEEL and receivables of operation contracts
Subtotal			5,127,276	3,445,137		
Measured at fair value - Local currency						
Pre fixed						
Bank loans (Law 4,131)	Pre fixed of 6.1574% to 7.3780%		576,676	-	2024	CPFL Energia guarantee and Promissory notes
Fair value measurement						
Subtotal			(37,256)	-		
			539,420	-		
Total - Local currency						
			5,666,697	3,445,137		
Borrowing costs (*)						
			(46,216)	(49,894)		
Measured at fair value - Foreign Currency						
Dollar						
Bank loans (Law 4,131)	US\$ + Libor 3 months + de 0.87% a 1.41%		542,265	728,348	2019 to 2025	CPFL Energia guarantee and Promissory notes
Bank loans (Law 4,131)	US\$ + de 1,83% a 4,32%		3,523,106	4,343,836	2018 a 2026	CPFL Energia guarantee and Promissory notes
			4,065,371	5,072,184		
Euro						
Bank loans (Law 4,131)	Euro + de 0.43% to 0.82%		2,409,448	3,053,302	2021 to 2025	CPFL Energia guarantee and Promissory notes
Fair value measurement						
			(1,917)	(98,695)		
Total in foreign currency						
			6,472,903	8,026,792		
Total						
			12,093,383	11,422,035		

(*) In accordance with CPC 48/IFRS 9, this refers to borrowing costs directly attributable to the issuance of the respective debts, measured at cost.

Certain borrowings, mainly those contracted in foreign currency, have swap converting exchange variation and fixed rate to interest rate variation. For further information about the considered rates, see note 34.

Effective rate:

(a) 30% to 70% of CDI (b) 60% to 110% of CDI (c) 100% to 130% of CDI

As segregated in the tables above, in conformity with CPC 48 and IFRS 9, the Group classified their debts as (i) financial liabilities measured at amortized cost, and (ii) financial liabilities measured at fair value through profit or loss.

The objective of the classification as financial liabilities of borrowings and financings measured at fair value is to reduce the effects of the recognition of gains and losses derived from fair valuing debt-related derivatives in order to obtain more relevant and consistent accounting information, reducing the accounting mismatch.

Changes in the fair values of these debts are recognized in the Group's financial result, except for the change in fair value due to credit risk, which, depending on the characteristics of the debts at the time of contracting, may be recorded in other comprehensive income or in the result of the period. At September 30, 2021, the unrealized accumulated gains obtained from the fair value measurement of these debts were R\$ 39,173 (R\$ 98,695 at December 31, 2020), which plus the unrealized gains obtained from the fair value measurement of derivative financial instruments of R\$ 17,409 (R\$ 45,046 at December 31, 2020), contracted as a hedge against exchange rate variation (note 34), generated total unrealized gain of R\$ 56,592 (R\$ 143,751 at December 31, 2020).

The maturities of the principal of borrowings and financings recorded in noncurrent liabilities are scheduled as follows:

<u>Maturity</u>	<u>Consolidated</u>
From October 1st, 2022	194,461
2023	2,719,896
2024	1,657,830
2025	2,203,855
2026	992,485
2027 to 2031	2,570,712
2032 to 2036	135,338
2037 to 2041	102,085
2042 to 2046	16,957
Subtotal	10,593,619
Fair value measurement	(56,779)
Total	10,536,840

Borrowings and financings raised in the period:

Category Subsidiary	Released (R\$ thousand)			Interest payment	Repayment	Utilization	Annual rate and effective annual rate	Effective rate with derivative
	Total approved	Released in 2021	Net of fundraising costs					
Local currency								
IPCA - BNB								
Costa das dunas	70,482	62,500	62,500	Quarterly until February 2022	Monthly from February 2022	Investment plan	IPCA + 1.36%	not applicable
Farol de Touros	61,672	30,262	30,262	Quarterly until May 2022	Monthly from May 2022	Investment plan	IPCA + 1.48%	not applicable
Figueira Branca	26,430	23,000	23,000	Quarterly until May 2022	Monthly from May 2022	Investment plan	IPCA + 1.48%	not applicable
Gameleira	44,051	62,738	62,738	Quarterly until May 2022	Monthly from May 2022	Investment plan	IPCA + 1.48%	not applicable
Transmissão Maracanau	42,422	20,648	20,648	Quarterly until August 2022	Monthly from August 2022	Investment plan	IPCA + 1.06%	not applicable
IPCA - BNDES								
CPFL Paulista	312,596	135,778	135,778	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
CPFL Paulista	1,002,912	435,622	435,622	Quarterly	Bullet in June 2027	Investment plan	IPCA + 4.34%	not applicable
CPFL Piratininga	126,086	63,125	63,125	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
CPFL Piratininga	298,402	149,395	149,395	Quarterly	Bullet in June 2028	Investment plan	IPCA + 4.34%	not applicable
CPFL Jaguarí	244,385	80,440	80,440	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
RGE	353,019	157,183	157,183.37	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
RGE	1,132,601	504,297	504,296.63	Quarterly	Bullet in June 2027	Investment plan	IPCA + 4.34%	not applicable
Law 4131								
CPFL Piratininga	340,000	340,000	340,000	Semiannually	Bullet in March 2024	Working capital	BRL + 6.1574%	CDI + 0.69%
CPFL Brasil	125,000	125,000	125,000	Semiannually	Bullet in June 2024	Working capital	BRL + 7.3780%	CDI + 0.88%
CPFL Piratininga	107,000	107,000	107,000	Semiannually	Bullet in June 2024	Working capital	BRL + 7.3780%	CDI + 0.88%
Foreign currency								
Law 4131								
CPFL Piratininga	200,000	200,000	200,000	Quarterly	Bullet in September 2026	Working capital	USD + 1.9400%	CDI + 0.88%
CPFL Jaguarí	142,000	142,000	142,000	Semiannually	Bullet in September 2026	Working capital	USD + 1.853%	CDI+1.29%
RGE Sul	340,000	340,000	340,000	Semiannually	Two Installments June 2025 and June 2026	Working capital	USD + 1.8258%	CDI+1.26%
	4,969,057	2,978,988	2,978,988					

Covenants

Borrowings and financings raised by Group companies require the compliance with certain restrictive financial clauses, under penalty of restriction in the distribution of dividends and/or advance maturity of the related debts. Furthermore, failure to comply with the obligations or restrictions mentioned may result in default in relation to other contractual obligations (cross default), depending on each borrowing agreement.

For borrowings and financings raised or with funds released in 2021, by the subsidiary CPFL Paulista, CPFL Piratininga, RGE, CPFL Santa Cruz e CPFL Brasil has restrictive clauses related to financial ratios, as follows:

Ratios required in the subsidiary's financial statements

- Debt indebtedness divided by EBITDA smaller than or equal of 3.75
- Debt indebtedness divided by Debt indebtedness + equity smaller than or equal of 0.9.

Ratios required for the consolidated financial statements of CPFL Energia

- Debt indebtedness divided by EBITDA smaller than or equal of 3.75
- EBITDA divided by the finance income/expense results greater than or equal of 2.25

For other borrowings and financings, the details of the covenants are presented in note 18 to the financial statements as of December 31, 2020.

The Group's management monitors these ratios on a systematic and constant basis, so that all conditions are met. At September 30, 2021, the Group Management did not identify events or conditions of non-compliance with financial and non-financial clauses.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(19) DEBENTURES

The movement in debentures are as follows:

Category	Consolidated					
	At December 31, 2020	Raised	Repayment	Interest, monetary adjustment and fair value measurement	Interest paid	At September 30, 2021
Measured at cost - Post fixed						
CDI	5,600,262	-	(998,782)	129,560	(72,205)	4,658,836
IPCA	1,379,121	-	-	148,871	(65,897)	1,462,095
Total at cost	6,979,384	-	(998,782)	278,431	(138,102)	6,120,931
Borrowing costs (*)	(26,355)	(28,874)	-	6,495	-	(48,734)
Measured at fair value - Post fixed						
IPCA	464,414	954,000	-	104,195	(26,631)	1,495,977
Fair value measurement	30,860	-	-	(140,292)	-	(109,432)
Total at fair value	495,274	954,000	-	(36,098)	(26,631)	1,386,545
Total	7,448,303	925,126	(998,782)	248,827	(164,732)	7,458,742
Current	1,191,270					1,652,967
Noncurrent	6,257,032					5,805,775

The detail on debentures are as follows :

Category	Annual Interest		Consolidated		Maturity range	Collateral
			September 30, 2021	December 31, 2020		
Measured at cost - Post fixed						
CDI	(i) From 103.6% to 109.75% of CDI	(a)	3,806,090	4,760,146	2018 to 2025	CPFL Energia guarantee
	(ii) CDI + 0.75% to 0.83%					
	From 104.75% to 110% do CDI	(a)	852,746	840,117	2020 to 2023	No guarantee
IPCA	IPCA + 5.8%	(b)	1,462,095	1,379,121	2021 to 2031	CPFL Energia guarantee
			6,120,931	6,979,384		
Borrowing costs (*)			(48,734)	(26,355)		
Measured at fair value - Post fixed						
IPCA	IPCA + 4.30% to 5.80%	(b)	1,495,977	464,413	2024 to 2031	CPFL Energia guarantee
Fair value measurement			(109,432)	30,860		
Total			7,458,742	7,448,303		

Certain debentures have swap exchanging the variation based on IPCA for variation based on CDI. For further information on the rates considered, see note 34.

Effective rate

(a) From 104.68% to 110.77% of CDI | CDI + from 0.76% to 0.89%

(b) IPCA + 4.84% to 6.31% and CDI + 8.2%

(*) In accordance with CPC 48/IFRS 9 this refers to borrowing costs directly attributable to the issuance of the respective debts.

As shown in the table above, the Group classifies its debentures as (i) financial liabilities measured at amortized cost; and (ii) financial liabilities measured at fair value through profit or loss.

The classification of debentures measured at fair value as financial liabilities is aimed at reducing the accounting mismatching of the effects of the recognition of gains and losses derived from the fair value

measurement of hedging derivatives linked to such debentures, in order to obtain a more relevant and consistent accounting information.

The changes in the fair values of these debentures are recognized in the Group finance income (expense), except for the fair value changes in credit risk, which is recognized in other comprehensive income. At September 30, 2021, the unrealized accumulated gains obtained from the fair value measurement of such debentures amounted to R\$ 109,432 (losses of R\$ 30,860 at December 31, 2020) which deducted the unrealized losses obtained from the fair value measurement of the derivative instruments of R\$ 51,624 (gains of R\$ 73,339 at December 31, 2020), undertaken to hedge the interest rate changes (note 34), generated a total net unrealized gain of R\$ 57,808 (R\$ 42,478 at December 31, 2020).

The maturities of the principal of debentures recognized in noncurrent liabilities are as follows:

Maturity	Consolidated
From October 1st, 2022	284,927
2023	2,318,728
2024	1,942,795
2025	290,989
2026	51,379
2027 to 2031	1,026,390
Subtotal	5,915,208
Fair value measurement	(109,432)
Total	5,805,775

Debentures raised in the period:

Category Subsidiary	Issued quantity	Released (R\$ thousand)		Interest payment	Repayment	Utilization	Annual rate	Effective annual rate	Effective rate with derivative
		Released in 2021	Net of fundraising costs						
Local currency - IPCA									
11 th Issuing - RGE	680,000	680,000	659,490	Semiannually	03 annual installments from May 2029	Investment, debt financing and working capital	IPCA + 4.3%	CDI + 8.20%	CDI + 0.43%
12 th Issuing - CPFL Piratininga	274,000	274,000	265,636	Semiannually	03 annual installments from May 2029	Investment, debt financing and working capital	IPCA + 4.3%	CDI + 8.20%	CDI + 0.43%
		954,000	925,126						

RESTRICTIVE COVENANTS

The debentures agreements are subject to certain restrictive covenants, including covenants that require the Company and its subsidiaries to maintain certain financial ratios within pre-established parameters.

The details of the restrictive conditions for other debentures are presented in note 19 to the Financial Statements of December 31, 2020.

For debentures released in 2021, by the subsidiaries RGE and CPFL Piratininga, has restrictive clauses related to financial ratios, as follows:

Ratios required for the consolidated financial statements of CPFL Energia

- Debt indebtedness divided by adjusted EBITDA smaller than or equal of 3.75
- EBITDA divided by the finance income/expense results greater than or equal of 2.25

The Group's Management monitors these indexes systematically and constantly, so that the conditions are met. On September 30, 2021, Group Management did not identify events or conditions of non-compliance with financial and non-financial clauses.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(20) PRIVATE PENSION PLAN

The subsidiaries sponsor supplementary retirement and pension plans for their employees, the characteristics of which are described in note 20 to the financial statements for the year ended December 31, 2020.

Movements in the defined benefit plans

The movements in net liability occurred in the period are as follows:

	CPFL Paulista	CPFL Piratiníngá	CPFL Renováveis	RGE		Total
				Plan 1	Plan 2	
Net actuarial liability at December 31, 2020	2,158,595	563,509	52,421	-	176,454	2,950,979
Expenses (income) recognized in the statement of profit or loss	120,037	37,486	3,020	(1,154)	10,826	170,217
Sponsors' contributions transferred during the period	(202,429)	(66,712)	(4,160)	(1,546)	(2,555)	(277,402)
Effect of asset ceiling	-	-	-	2,701	-	2,701
Net actuarial liability at September 30, 2021	2,076,203	534,284	51,281	-	184,725	2,846,494
Other contributions						10,567
Total liability						2,857,061
Current						348,467
Noncurrent						2,508,594

The income and expenses recognized as cost of the operation are shown below:

	Nine months 2021 actual					Total
	CPFL Paulista	CPFL Piratiníngá	CPFL Renováveis	RGE		
				Plan 1	Plan 2	
Service cost	1,257	6,993	112	(875)	857	8,343
Interest on actuarial obligations	397,635	114,919	9,764	25,310	37,564	585,192
Expected return on plan assets	(278,855)	(84,426)	(6,856)	(26,235)	(27,594)	(423,965)
Effect of asset ceiling	-	-	-	647	-	647
Total expense (income)	120,037	37,486	3,020	(1,154)	10,826	170,217

	Nine months 2020 actual					Total
	CPFL Paulista	CPFL Piratiníngá	CPFL Geração	RGE		
				Plan 1	Plan 2	
Service cost	1,023	5,804	83	(42)	1,436	8,304
Interest on actuarial obligations	342,042	97,901	8,425	25,645	37,522	511,535
Expected return on plan assets	(256,240)	(77,983)	(6,229)	(25,889)	(27,775)	(394,117)
Effect of asset ceiling	5,302	-	-	38	-	5,340
Total expense (income)	92,129	25,723	2,278	(248)	11,183	131,065

Main Actuarial Assumptions

The main assumptions taken into consideration in the actuarial calculation at the end of the reporting period were as follows:

	CPFL Paulista, CPFL Renováveis and CPFL Piratiníngá		RGE (Plans 1 and 2)	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Nominal discount rate for actuarial liabilities:	7.72% p.a.	7.72% p.a.	7.72% p.a.	7.72% p.a.
Nominal return rate on plan assets:	7.72% p.a.	7.72% p.a.	7.72% p.a.	7.72% p.a.
Estimated rate of nominal salary increase:	5.31% p.a.(*)	5.31% p.a.(*)	5.48% p.a.(**)	5.48% p.a.(**)
Estimated rate of nominal benefits increase:	3.75% p.a.	3.75% p.a.	3.75% p.a.	3.75% p.a.
Estimated long-term inflation rate (basis for the nominal rates above)	3.75% p.a.	3.75% p.a.	3.75% p.a.	3.75% p.a.
General biometric mortality table:	AT-2000 (-10)	AT-2000 (-10)	BR-EMS sb v.2015	BR-EMS sb v.2015
Biometric table for the onset of disability:	Low Light (-30)	Low Light (-30)	Medium Light	Medium Light
Expected turnover rate:	ExpR_2012	ExpR_2012	Null	Null
Likelihood of reaching retirement age:	After 15 years of filiation and 35 years of service time for men and 30 years of service time for women	After 15 years of filiation and 35 years of service time for men and 30 years of service time for women	100% when a beneficiary first becomes eligible for a full benefit	100% when a beneficiary first becomes eligible for a full benefit

(*) The estimated rate of nominal salary increase for CPFL Piratiníngá was 6.14%

(**) The estimated rate of nominal salary increase was 4.96% for RGE (Plan 1)

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(21) REGULATORY LIABILITIES

	Consolidated	
	September 30, 2021	December 31, 2020
Financial compensation for the use of water resources - CFURH	1,458	848
Global reversal reserve - RGR	17,248	17,258
ANEEL inspection fee - TFSEE	8,264	7,560
Energy development account - CDE	38,593	1,393
Tariff flags and others	358,672	81,312
Total	424,237	108,371

(22) TAXES, FEES AND CONTRIBUTIONS PAYABLE

	Consolidated	
	September 30, 2021	December 31, 2020
Current		
IRPJ (corporate income tax)	120,108	52,333
CSLL (social contribution on net income)	38,161	39,137
Income tax and social contribution	158,270	91,470
ICMS (State VAT)	613,582	568,598
PIS (tax on revenue)	55,109	36,229
COFINS (tax on revenue)	265,005	164,705
Income tax withholding on interest on capital	-	24,176
Other taxes	55,490	80,044
Other taxes	989,186	873,752
Total current	1,147,456	965,222
Noncurrent		
Prepayments of income tax - IRPJ	163,881	161,970
CSLL (social contribution on net income)	5,685	3,929
Income tax and social contribution	169,566	165,900
ICMS (State VAT)	865	839
Other taxes	865	839
Total noncurrent	170,431	166,738

Corporate Income tax – IRPJ: in noncurrent, this refers to the reclassification of provision for tax risks related to taxes on profit. The largest case amount refers to the Writ of Mandamus filed by the subsidiary CPFL Piratininga, which discussed the possibility of excluding the Social Contribution on Profit (CSLL) from the calculation base of the Corporate Income Tax (IRPJ); for such case, it is more probable that the Tax Authorities will not accept the procedure in question.

The Group has some uncertain income tax treatments for which Management concluded that it is more probable than not that they will be accepted by the tax authority and for whose the effects of potential contingencies is disclosed in note 23 – Provisions for tax, civil and labor risks and escrow deposits.

(23) PROVISION FOR TAX, CIVIL AND LABOR RISKS AND ESCROW DEPOSITS

	Consolidated			
	September 30, 2021		December 31, 2020	
	Provision for tax, civil ad labor risks	Escrow deposits	Provision for tax, civil ad labor risks	Escrow deposits
Labor	211,722	82,871	219,113	91,156
Civil	263,028	50,476	284,766	72,274
Tax				
Income Tax and social contribution	-	432,757	89	425,528
Others	48,050	189,089	44,836	175,718
	48,050	621,846	44,924	601,246
Others	64,518	83	67,332	83
Total	587,318	755,276	616,136	764,760

The movements in the provision for tax, civil, labor and other risks are shown below:

	Consolidated					At September 30, 2021
	At December 31, 2020	Additions	Reversals	Payments	Monetary adjustment	
Labor	219,113	34,611	(15,517)	(41,983)	15,498	211,722
Civil	284,766	78,726	(29,912)	(112,238)	41,687	263,028
Tax	44,924	10,761	(4,461)	(4,466)	1,292	48,050
Others	67,332	7,465	(1,591)	(9,162)	474	64,518
Total	616,136	131,562	(51,481)	(167,850)	58,951	587,318

The provision for tax, civil, labor and other risks was based on the assessment of the risks of losing the lawsuits to which the Group is part, where the likelihood of loss is probable in the opinion of the outside legal counselors and the Management of the Group.

The details of the nature of the provision for tax, civil, labor and other risks and escrow deposits are presented in the note 23 of the financial statements at December 31, 2020.

Possible losses

The Group is part to other lawsuits in which Management, supported by its external legal counselors, believes that the chances of a successful outcome are possible due to a solid defensive position in these cases, therefore no provision was recognized. It is not yet possible to predict the outcome of the courts' decisions or any other decisions in similar proceedings considered probable or remote.

The claims relating to possible losses at September 30, 2021 and December 31, 2020 were as follows:

	September 30, 2021	December 31, 2020	Main causes
Labor	652,289	609,335	Work accidents, risk premium for dangerousness at workplace and overtime
Civil	2,505,938	2,139,333	Compensation claims, electrical damages, overfed tariffs, review of contracts and charges for occupation of the right-of-way.
Tax	4,901,698	4,774,906	Income tax and social contribution (note 22)
Tax - others	2,550,966	2,345,775	INSS, ICMS, FINSOCIAL, PIS and COFINS
Regulatory	127,880	100,358	Technical, commercial and economic-financial supervisions
Total	10,738,770	9,969,707	

Tax – One of the main cases refers to litigation about deductibility for income tax purposes of expenses recognized in 1997 relating to novation of debt in connection with the pension plan of employees of subsidiary CPFL Paulista to Fundação CESP (“VIVEST”) in the estimated amount of 1,508,446, with escrow deposits in the amount of R\$ 23,373 and financial guarantees (insurance and letters of guarantee) in the total amount of R \$ 1,886,975, under the terms required by the relevant procedural law. In addition, the litigation includes interest that was levied on the escrow deposit withdrawn by the Company, in the amount of R\$ 259,379 and that is deposited in court. On May 23, June 6 and September 17, 2019, the special appeal of the main proceeding was judged by the Second Panel of the Higher Court of Justice (STJ), which handed down a decision unfavorable to the subsidiary, fully published on June 26, 2020, which embargoes of declaration were opposed on August 4, 2020, awaiting judgment. Additionally, the controlled property has an extraordinary appeal in process at the Supreme Federal Court (STF). In August 3, 2021 a monocratic decision was handed down by one of the Ministers of the Second Panel, dismissing the Interlocutory appeal and not admitting the extraordinary appeal based on formal and procedural aspects, without evaluating the merits of the case. This decision was appealed to the collegiate of the Second Panel, when all other Ministers will have the opportunity to evaluate the appeal. Based on the current stage of the appeals, both at the STJ and at the STF, and the opinion of its legal advisors, the subsidiary remains confident in the legal grounds substantiating the appeal and will continue to defend its arguments before the Judiciary Branch, assessing the chances of loss as not probable, there is a new opportunity for the analysis of the case at the Federal Supreme Court (STF), with a constitutional approach with solid bases, indicating possible success in the extraordinary appeals, and will continue to try to avoid possible cash outflows should it be required to replace existing judicial guarantees with cash deposits.

Labor - Regarding labor contingencies, the effects of the decision of the Federal Supreme Court (STF) that changed the monetary restatement index adopted by the Labor Court are under discussion. Currently, there is a decision of the STF, subject to appeal, which definitively ruled out the application of TR, an index previously practiced by the Labor Court, for the application of the IPCA-E for debts in the pre-procedural phase and the SELIC for after the summons, however, it did not delimit the temporality of this application for cases without a defined index, nor did it clarify the application of interest, reactivating the previously suspended lawsuits. The Group's Management clarifies that it carries out the individual settlement of labor cases, in accordance with the respective decisions and did not identify a material change in the preliminary analysis. Thus, the Company awaits the publication of the final decision by the STF and any resources to estimate with reasonable certainty the amounts involved in the discussion.

Based on the opinion of their outside legal counselors, the Group's management believes that the amounts provided for reflect the current best estimate.

(24) OTHER PAYABLES

	Consolidated			
	Current		Noncurrent	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Consumers and concessionaires	207,974	199,833	74,274	63,209
Energy efficiency program - PEE	417,746	375,746	615	911
Research & Development - P&D	198,953	216,021	63,151	26,075
EPE / FNDCT / PROCEL (*)	61,345	35,112	-	-
Reversion fund	1,666	1,712	9,620	10,904
Advances	438,179	507,167	40,295	44,026
Tariff discounts - CDE	26,017	60,023	-	-
Payroll	13,523	19,128	-	-
Profit sharing	76,023	111,788	17,119	26,836
Collection agreements	99,425	102,954	-	-
Business acquisition	11,317	9,838	-	-
Others	66,043	70,036	67,453	47,071
Total	1,618,208	1,709,358	272,527	219,032

(*) EPE - Energy Research Company, FNDCT - National Fund for Scientific and Technology Development, PROCEL - National Electric Energy Conservation Program

Advances: refer mainly to advances from customers in relation to advance billing by the subsidiary CPFL Renováveis, before the energy or service has actually been provided or delivered.

Energy efficiency - EEP and research and development programs – R&D: the distribution subsidiaries recognized liabilities related to amounts already billed in tariffs (1% of net operating revenue), but not yet invested in EEP and R&D programs. Such amounts are subject to monthly monetary restatement, based on the SELIC rate, until their effective realization. Additionally, Law No. 14,120 on March 1, 2021 and ANEEL Dispatch No. 904 of March 30, 2021, establish that between September 1, 2020 and December 31, 2025, up to 30% of the amounts provided for the Programs R&D and EEP, not committed to projects contracted or started by August 31, 2020, should be allocated to the CDE in favor of low tariffs. The collections to CDE are made on the 10th of each month, and the first payment was made in April 2021.

(25) EQUITY

The shareholders' interest in the Company's equity at September 30, 2021 and December 31, 2020 is shown below:

Shareholders	Number of shares			
	September 30, 2021		December 31, 2020	
	Common shares	Interest %	Common shares	Interest %
State Grid Brazil Power Participações S.A.	730,435,698	63.39%	730,435,698	63.39%
ESC Energia S.A.	234,086,204	20.32%	234,086,204	20.32%
Members of the Board of Directors	103,600	0.01%	-	0.00%
Members of the Executive Board	2,300	0.00%	102,100	0.01%
Other shareholders	187,626,638	16.28%	187,630,438	16.28%
Total	1,152,254,440	100.00%	1,152,254,440	100.00%

The details of the items included in equity are described in the financial statements for the year ended December 31, 2020.

(26) EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the quarters and nine months at September 30, 2021 and 2020 was based on the profit of the period attributable to controlling shareholder and the weighted average number of common shares outstanding in the period.

	3rd quarter 2021	Nine months 2021	3rd quarter 2020	Nine months 2020
Numerator				
Profit attributable to controlling shareholders	1,401,850	3,455,962	1,337,434	2,678,569
Denominator				
Weighted average number of shares held by shareholders	1,152,254,440	1,152,254,440	1,152,254,440	1,152,254,440
Earnings per share	1.22	3.00	1.16	2.32

(27) NET OPERATING REVENUE

	Consolidated			
	2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months
Revenue from Eletric Energy Operations				
Consumer class				
Residential	4,735,453	13,430,070	3,771,200	11,244,492
Industrial	1,239,265	3,451,695	1,181,113	3,359,825
Commercial	1,664,792	4,866,150	1,345,219	4,324,540
Rural	486,223	1,396,850	379,099	1,136,911
Public administration	242,404	670,276	174,902	577,955
Public lighting	294,151	748,372	207,701	608,472
Public services	363,534	996,877	308,935	906,536
Billed	9,025,823	25,560,290	7,368,171	22,158,731
Unbilled (net)	(63,182)	(149,932)	137,631	94,891
(-) Reclassificacão to Network Usage Charge - TUSD - Captive Consumers	(3,707,593)	(11,052,815)	(3,286,695)	(9,739,244)
Electricity sales to final consumers	5,255,048	14,357,543	4,219,107	12,514,378
Furnas Centrais Elétricas S.A.	210,491	571,617	158,738	466,044
Other concessionaires and licensees	988,039	2,406,969	921,183	2,326,809
(-) Reclassificacão to Network Usage Charge - TUSD - Captive Consumers	(36,149)	(107,202)	(29,123)	(90,176)
Spot market energy	719,677	1,455,955	217,099	701,836
Electricity sales to wholesalers	1,882,058	4,327,339	1,267,897	3,404,513
Revenue due to Network Usage Charge - TUSD - Captive Consumers	3,743,742	11,160,016	3,315,818	9,829,420
Revenue due to Network Usage Charge - TUSD - Free Consumers	1,246,890	3,593,089	985,946	2,745,663
(-) Compensation paid for failure to comply with the limits of continuity	(14,725)	(71,595)	(11,190)	(61,035)
Revenue from construction of concession infrastructure	797,838	2,164,696	690,319	1,789,593
Sector financial asset and liability (Note 8)	1,869,802	2,813,173	255,624	83,080
Concession financial asset - fair value adjustment (Note 10)	271,195	752,069	79,774	157,124
Energy development account - CDE - Low-income, Tariff discounts - judicial injunctions ,and other tariff di	406,450	1,178,281	355,225	1,114,802
Other revenues and income	207,994	578,890	158,222	464,471
Other operating revenues	8,529,186	22,168,619	5,829,738	16,123,118
Total gross operating revenue	15,666,290	40,853,502	11,316,742	32,042,010
Deductions from operating revenues				
ICMS	(2,034,579)	(5,806,631)	(1,631,225)	(4,925,748)
PIS	(209,692)	(576,225)	(168,456)	(484,589)
COFINS	(965,742)	(2,657,273)	(773,893)	(2,230,076)
ISS	(6,764)	(19,400)	(6,264)	(17,334)
Energy development account - CDE	(880,570)	(2,805,795)	(845,172)	(2,631,092)
Research and development and energy efficiency programs	(86,547)	(217,621)	(56,685)	(162,636)
PROINFA	(52,764)	(148,445)	(40,670)	(129,322)
Tariff flags and others	(225,047)	(292,041)	(300)	197,815
Financial compensation for the use of water resources - CFURH	(2,808)	(6,144)	(3,279)	(5,520)
Others	(11,893)	(33,110)	(9,778)	(28,576)
	(4,476,406)	(12,562,686)	(3,535,722)	(10,417,079)
Net operating revenue	11,189,884	28,290,816	7,781,020	21,624,931

	2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months
Revenue from Eletric Energy Operations - in GWh				
Consumer class				
Residential	5,019	15,759	5,041	15,334
Industrial	2,656	7,826	3,128	8,821
Commercial	2,269	7,234	2,239	7,204
Rural	742	2,465	805	2,500
Public administration	290	898	263	890
Public lighting	506	1,505	513	1,524
Public services	519	1,587	566	1,700
Billed	12,000	37,273	12,555	37,973
Own consumption	8	26	8	26
Electricity sales to final consumers	12,009	37,299	12,563	37,999
Furnas Centrais Elétricas S.A.	732	2,157	725	2,158
Other concessionaires and licensees	2,066	9,125	3,568	9,770
Spot market energy	1,416	5,259	2,585	7,233
Electricity sales to wholesalers	4,214	16,541	6,878	19,161

	Consolidated	
	September 30, 2021	September 30, 2020
Number of consumers		
Consumer class		
Residential	9,093,780	8,856,517
Industrial	53,008	56,016
Commercial	518,701	522,489
Rural	358,887	362,817
Public administration	63,654	62,995
Public lighting	10,105	12,124
Public services	11,055	10,732
Total	10,109,190	9,883,690

27.1 Adjustment of revenues from excess demand and excess reactive power

The information related to accounting and historical are described in note 27.1 of financial statements of December 31, 2020.

27.2 Periodic tariff review ("RTP") and Annual tariff adjustment ("RTA")

Distributor	Month	2021		2020	
		RTA / RTP	Effect perceived by consumers (a)	RTA / RTP	Effect perceived by consumers (a)
CPFL Paulista	April	17.62%	8.95%	14.90%	6.05%
CPFL Piratininga	October (b)	14.78%	12.40%	18.31%	9.82%
RGE	June	15.23%	9.95%	15.74%	6.09%
CPFL Santa Cruz	March	17.19%	9.95%	10.71%	0.20%

(a) Represents the average effect perceived by the consumer, as a result of the elimination from the tariff base of financial components that had been added in the prior tariff adjustment.

(b) As described in note 36.3, on October 21, 2021 there was the RTA for the subsidiary CPFL Piratininga.

27.3 Energy Development Account (CDE) – Low income, other tariff subsidies and tariff discounts - injunctions

In nine months periods of 2021, revenue of R\$ was recognized 1,178,281 (R\$ 1,114,802 in nine months periods of 2020), considering (i) R\$ 126,649 for low-income subsidy (R\$ 160,930 in nine months periods of 2020), (ii) R\$ 943,320 for other tariff discounts (R\$ 892,591 in nine months periods of 2020), and (iii) R\$ 108,312 for tariff discounts – CCRBT injunctions and subsidy (R\$ 61,281 in nine months periods of 2020). These items were recognized against other assets in the line item Receivables – CDE (note 12) and other payables in line item Tariff discounts – CDE (note 24).

27.4 Energy development account ("CDE")

ANEEL, through Ratifying Resolution ("REH") n° 2,814, of December 1, 2020 and ("REH") n° 2,833, of February 17, 2021, established the temporary monthly quotas of the Energy development account ("CDE"), related to the period from January to February 2021, respectively.

Additionally, through REH n° 2,834, of March 2, 2021, it established the temporary monthly quotas of CDE effective as from March 2021 until the approval of the annual budget of CDE 2021 and related annual quotas.

Finally, the final ratification of the 2021 quotas was made through REH No. 2864, of May 5, 2021.

Furthermore, ANEEL, through Technical Note ("NT") n°05, of January 27, 2021, established the CDE COVID annual quotas to be effective from the respective 2021 tariff processes; therefore, it is already recorded in CPFL Santa Cruz, CPFL Paulista and RGE.

In addition, ANEEL, through Technical Note ("NT") No. 05, of January 27, 2021, established the annual quotas of CDE COVID, effective from the respective tariff processes of 2021, therefore, already registered at CPFL Santa Cruz, CPFL Paulista and RGE.

(28) COST OF ELECTRIC ENERGY

	Consolidated			
	2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months
<u>Electricity Purchased for Resale</u>				
Itaipu Binacional	964,565	2,758,525	1,009,640	2,938,725
PROINFA	86,893	271,530	76,107	220,264
Energy purchased through auction in the regulated market, bilateral contracts and spot market	5,463,185	12,129,184	2,842,792	8,728,704
PIS and COFINS credit	(587,057)	(1,349,725)	(345,615)	(1,056,152)
Subtotal	5,927,586	13,809,515	3,582,924	10,831,541
<u>Electricity network usage charge</u>				
Basic network charges	654,405	2,181,061	721,641	1,788,258
Transmission from Itaipu	54,107	224,049	90,995	234,136
Connection charges	67,944	167,307	47,662	129,897
Charges for use of the distribution system	17,176	48,061	11,633	33,054
System service charges - ESS net of CONER pass through (*)	282,962	840,436	17,197	(189,744)
Reserve energy charges - EER	7,049	135,842	84,507	205,100
PIS and COFINS credit	(98,828)	(328,441)	(88,687)	(199,763)
Subtotal	984,814	3,268,315	884,948	2,000,939
Total	6,912,400	17,077,830	4,467,872	12,832,480

(*) Energy reserve account.

	Consolidated			
	2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months
<u>Electricity Purchased for Resale in GWh</u>				
Itaipu Binacional	2,652	7,844	2,765	8,201
PROINFA	275	755	285	797
Energy purchased through auction in the regulated market, bilateral contracts and spot market	14,004	43,360	15,296	46,920
Total	16,931	51,959	18,346	55,918

(29) OTHER OPERATING COSTS AND EXPENSES

3rd quarter												
Consolidated												
	Cost of operation		Cost of Services Rendered to Third Parties		Operating expenses						Total	
					Selling expenses		General and administrative		Other operating expenses			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Personnel	265,314	233,908	-	-	42,947	39,984	89,187	80,893	-	-	397,448	354,785
Private Pension Plans	56,723	42,813	-	-	-	-	-	-	-	-	56,723	42,813
Materials	91,657	73,074	311	220	2,627	5,754	(1,882)	(4,923)	-	-	92,713	74,125
Third party services	30,679	27,766	646	576	43,835	40,994	80,332	58,302	-	-	155,492	127,638
Costs of infrastructure construction	-	-	939,973	685,234	-	-	-	-	-	-	939,973	685,234
Others	25,115	24,712	10	5	22,709	23,594	54,178	53,062	37,297	32,506	139,315	133,879
Collection fees	-	-	-	-	22,651	23,048	-	-	-	-	22,651	23,048
Leases and rentals	17,024	16,054	-	-	-	-	5,093	4,713	-	-	22,117	20,767
Publicity and advertising	-	-	-	-	-	-	4,445	3,359	-	-	4,445	3,359
Legal, judicial and indemnities	-	-	-	-	-	-	58,015	43,655	-	-	58,015	43,655
Donations, contributions and subsidies	-	-	-	-	-	-	813	663	-	-	813	663
Gain (loss) on disposal, retirement and other noncurrent assets	-	-	-	-	-	-	-	-	35,098	30,158	35,098	30,158
Others	8,096	8,658	10	5	59	546	(14,188)	672	2,199	2,348	(3,824)	12,229
Total	469,488	402,273	940,940	686,035	112,118	110,326	221,815	187,333	37,297	32,506	1,781,658	1,418,472

	Nine months											
	Cost of operation		Cost of Services Rendered to Third Parties		Operating expenses						Total	
					Selling expenses		General and administrative		Other operating expenses			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Personnel	773,250	694,752	-	-	122,628	122,765	248,898	248,847	-	-	1,144,776	1,066,364
Private Pension Plans	170,217	131,065	-	-	-	-	-	-	-	-	170,217	131,065
Materials	244,636	186,137	965	932	7,232	13,860	(4,371)	6,089	-	-	248,462	207,018
Third party services	112,799	125,435	2,068	2,337	128,590	127,175	218,280	194,488	-	-	461,737	449,435
Costs of infrastructure construction	-	-	2,299,976	1,780,831	-	-	-	-	-	-	2,299,976	1,780,831
Others	80,645	67,209	65	15	69,567	72,037	134,935	155,825	114,717	96,126	399,935	391,212
Collection fees	-	-	-	-	69,314	70,771	-	-	-	-	69,314	70,771
Leases and rentals	49,257	44,935	-	-	-	-	16,151	15,528	-	-	65,408	60,463
Publicity and advertising	10	88	-	-	-	-	12,061	12,481	-	-	12,071	12,569
Legal, judicial and indemnities	-	-	-	-	-	-	120,979	107,418	-	-	120,979	107,418
Donations, contributions and subsidies	-	-	-	-	-	-	2,791	8,703	-	-	2,791	8,703
Gain (loss) on disposal, retirement and other noncurrent assets	-	-	-	-	-	-	-	-	107,984	88,913	107,984	88,913
Others	31,384	22,186	65	15	253	1,266	(17,047)	11,695	6,733	7,213	21,388	42,375
Total	1,381,545	1,204,597	2,303,073	1,784,116	328,017	335,837	597,741	605,248	114,717	96,126	4,725,094	4,025,924

(30) FINANCIAL INCOME (EXPENSES)

	Consolidated			
	2021		2020	
	3rd quarter	Nine months	3rd quarter	Nine months
Financial income				
Income from financial investments	42,188	100,013	44,726	135,146
Late payment interest and fines	79,439	242,577	72,165	225,916
Adjustment for inflation of tax credits	42,676	106,810	6,882	12,760
Adjustment for inflation of escrow deposits	6,536	13,780	2,838	12,443
Adjustment for inflation and exchange rate changes	30,653	193,488	(17,018)	279,695
Discount on purchase of ICMS credit	6,391	12,605	4,855	11,677
Adjustments to the sector financial asset (note 9)	35,336	47,654	5,693	17,826
PIS and COFINS on other financial income	(23,396)	(47,359)	(19,199)	(37,026)
Other	32,116	131,236	38,678	101,960
Total	251,939	800,803	139,622	760,397
Financial expenses				
Interest on debts	(197,255)	(502,386)	(196,527)	(654,460)
Adjustment for inflation and exchange rate changes	(170,570)	(430,464)	(40,660)	(89,290)
(-) Capitalized interest	10,161	28,707	7,744	21,085
Use of public asset	(5,803)	(29,792)	(9,439)	(19,073)
Other	(77,879)	(186,576)	(92,785)	(161,955)
Total	(441,346)	(1,120,511)	(331,666)	(903,693)
Financial income (expenses), net	(189,407)	(319,708)	(192,044)	(143,297)

In line item of monetary adjustment and exchange rate changes, the expense includes the net effects of gains of R\$ 73,523 in nine months periods of 2021 (R\$ 2,906,467 in nine months periods of 2020) on derivative instruments (note 34).

(31) SEGMENT INFORMATION

	Distribution	Generation	Commercialization	Services	Subtotal	Other (*)	Elimination	Total
Nine months 2021								
Net operating revenue	24,200,767	2,140,028	1,856,883	92,173	28,289,851	965	-	28,290,816
(-) Intersegment revenues	7,381	811,439	8,975	528,937	1,356,732	-	(1,356,732)	-
Cost of electric energy	(15,749,383)	(308,869)	(1,847,060)	-	(17,905,312)	-	827,481	(17,077,830)
Operating costs and expenses	(4,413,500)	(560,367)	(42,720)	(475,680)	(5,492,268)	(22,271)	529,251	(4,985,288)
Depreciation and amortization	(683,548)	(530,800)	(2,979)	(24,373)	(1,241,700)	(47,348)	-	(1,289,048)
Income from electric energy service	3,361,716	1,551,432	(26,901)	121,056	5,007,303	(68,654)	-	4,938,650
Equity interests in subsidiaries, associates and joint ventures	-	387,405	-	-	387,405	-	-	387,405
Financial income	605,275	99,196	89,949	4,830	799,249	26,359	(24,806)	800,803
Financial expenses	(838,320)	(267,063)	(26,529)	(2,451)	(1,134,364)	(10,953)	24,806	(1,120,511)
Profit (loss) before taxes	3,128,671	1,770,969	36,519	123,435	5,059,594	(53,247)	-	5,006,347
Income tax and social contribution	(1,070,337)	(313,396)	(16,427)	(31,474)	(1,431,634)	(51,626)	-	(1,483,260)
Profit (loss) for the period	2,058,334	1,457,573	20,092	91,961	3,627,960	(104,873)	-	3,523,087
Purchases of contract asset PP&E and intangible assets	2,155,549	428,451	6,246	54,447	2,644,693	1,297	-	2,645,990
Nine months 2020								
Net operating revenue	17,775,695	1,606,659	2,169,676	76,854	21,628,883	(3,951)	-	21,624,931
(-) Intersegment revenues	6,980	745,387	15,946	439,944	1,208,257	-	(1,208,257)	-
Cost of electric energy	(11,201,461)	(276,001)	(2,122,953)	-	(13,600,415)	-	767,935	(12,832,480)
Operating costs and expenses	(3,750,442)	(432,639)	(34,170)	(395,217)	(4,612,468)	(28,123)	440,322	(4,200,268)
Depreciation and amortization	(647,867)	(522,429)	(2,482)	(20,642)	(1,193,420)	(47,356)	-	(1,240,776)
Income from electric energy service	2,182,906	1,120,976	26,017	100,938	3,430,837	(79,430)	-	3,351,407
Equity interests in subsidiaries, associates and joint ventures	-	265,839	-	-	265,839	-	-	265,839
Financial income	635,451	95,139	33,998	3,035	767,622	2,968	(10,194)	760,397
Financial expenses	(485,406)	(410,507)	(16,391)	(1,542)	(913,846)	(41)	10,194	(903,693)
Profit (loss) before taxes	2,332,951	1,071,447	43,624	102,431	3,550,453	(76,503)	-	3,473,950
Income tax and social contribution	(764,458)	91,051	(14,419)	(21,349)	(709,175)	(46,853)	-	(756,028)
Profit (loss) for the period	1,568,493	1,162,499	29,205	81,082	2,841,278	(123,356)	-	2,717,922
Purchases of contract asset PP&E and intangible assets	1,600,796	290,344	1,837	38,586	1,931,563	994	-	1,932,557

(*) Others – refer basically to assets and transactions which are not related to any of the identified segments.

(32) RELATED PARTY TRANSACTIONS

The Company's controlling shareholders, related party information and main transactions are disclosed in note 32 of the financial statements of December 31, 2020.

The total compensation for key management personnel in nine months periods of 2021, in accordance with CVM Decision 642/2010 and CPC 05(R1), was R\$ 34,844 (R\$ 50,769 in nine months periods of 2020). This amount comprises R\$ 34,050 related to short-term benefits (R\$ 48,937 in nine months periods of 2020) and R\$ 979 (R\$ 1,832 in nine months periods of 2020) of post-employment benefits

The balance of the parent company loan asset in 2021, in the amount of R \$ 482,749, refers substantially to the loan made with the subsidiaries RGE and CPFL Piratininga, with maturity up to December 2022 and remunerated at 107% of the CDI. The loan balance recorded in 2019 refers substantially to the loan with the subsidiary CPFL Renováveis and was received by the Company. The balance of the intercompany loan payable in the parent company, in 2021 (R\$ 401,634) and on December 31, 2020 (R\$ 400,025) refers to the loan with the subsidiary CPFL Geração, maturing up to December 2022 and and remunerated at 97.7 % of CDI.

The balance of the intercompany loan payable in the consolidated, in the amount of R\$ 2,474,903 (R\$ 2,409,545 at December 31, 2020), mainly refers to the loan between subsidiary CPFL Renováveis and the parent company State Grid Brazil Power - SGBP, maturing up to June 2024 and bearing interest corresponding to CDI + 1.1% p.a. spread.

Transactions with entities under common control basically refers to transmission system charge paid by the Company's subsidiaries to the direct or indirect subsidiaries of State Grid Corporation of China.

Transactions involving controlling shareholders, entities under common control or significant influence and joint ventures:

	Consolidated							
	ASSETS		LIABILITIES		INCOME		EXPENSES	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	Nine months 2021	Nine months 2020	Nine months 2021	Nine months 2020
Energy purchase and sales, and charges								
Entities under common control (State Grid Corporation of China subsidiaries)	-	-	-	-	21	756	266,231	217,432
BAESA - Energética Barra Grande S.A.	-	-	4,421	16,785	9	10	46,729	35,711
Foz do Chapecó Energia S.A.	-	1,745	55,559	47,822	13	15,442	461,312	389,623
ENERCAN - Campos Novos Energia S.A.	-	1,226	83,932	72,021	11	9,867	355,373	294,170
EPASA - Centrais Elétricas da Paraíba	-	-	52,103	20,994	3	3	193,931	41,783
Intangible assets, property, plant and equipment, materials and service rendered								
Entities under common control (State Grid Corporation of China subsidiaries)	-	-	4,863	474	-	-	14,244	645
BAESA - Energética Barra Grande S.A.	9	161	-	-	1,607	1,654	-	-
Foz do Chapecó Energia S.A.	2	17	-	-	1,736	1,706	-	-
ENERCAN - Campos Novos Energia S.A.	-	-	-	-	1,575	1,530	-	1
EPASA - Centrais Elétricas da Paraíba S.A.	-	-	-	-	142	153	-	-
Intragroup loans								
State Grid Brazil Power Participações S.A.	-	-	2,474,903	2,409,545	-	-	80,427	20,176
Dividends and interest on capital								
BAESA - Energética Barra Grande S.A.	13,296	3,545	-	-	-	-	-	-
Chapecoense Geração S.A.	58,059	-	-	-	-	-	-	-
ENERCAN - Campos Novos Energia S.A.	111,975	77,102	-	-	-	-	-	-
Others								
Instituto CPFL	-	-	-	-	-	-	2,336	8,651

(33) RISK MANAGEMENT

The information about the risk management structure and the main risk factors that affect the Group's business are disclosed in note 34 to the financial statements for the year ended December 31, 2020.

The Group follows operating and financial policies and strategies in order to ensure liquidity, security and profitability of its assets. These include procedures for controlling and monitoring transactions and balances of financial instruments, so as to monitor risks and interest rates compared to those observable in the market. Such potential impact, stemming from volatility of risk factors and their effects, is periodically assessed to provide support for the decision-making process in connection with the risk management strategy, which may incorporate financial instruments, including derivatives.

The financial instruments portfolio is monitored monthly, thus allowing finance results to be monitored together with their impact on cash flow.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by Covid-19, are described in note 1.1.

(34) FINANCIAL INSTRUMENTS

The main financial instruments at fair value and/or the carrying amount is different of the respective fair value, classified in accordance with the group's accounting practices are:

				Consolidated	
				September 30, 2021	
	Note	Category / Measurement	Level (*)	Carrying amount	Fair value
Assets					
Cash and cash equivalent	5	(a)	Level 1	4,633,805	4,633,805
Securities	6	(a)	Level 1	287,057	287,057
Derivatives	34	(a)	Level 2	1,404,524	1,404,524
Concession financial asset - distribution	11	(a)	Level 3	12,283,382	12,283,382
Total				18,608,768	18,608,768
Liabilities					
Borrowings - principal and interest	18	(b)	Level 2 (***)	5,081,061	5,071,209
Borrowings - principal and interest	18	(a)	Level 2	7,012,323	7,012,324
Debentures - Principal and interest	19	(b)	Level 2 (***)	6,072,197	6,377,925
Debentures - Principal and interest (**)	19	(a)	Level 2	1,386,545	1,386,545
Derivatives	34	(a)	Level 2	65,164	65,164
Derivatives - others	34	(a)	Level 3	406	406
Total				19,617,696	19,913,573

(*) Refers to the hierarchy for fair value measurement

(**) As a result of the initial designation of this financial liability, the consolidated balances reported a loss of R\$ 43,515 in nine months period of 2021 (a gain of R\$ 200,716 in nine months period of 2020).

(***) Only for disclosure purposes, in accordance with CPC 40 (R1) / IFRS 7

Key

Category / Measurement:

(a) - Fair value against profit or loss

(b) - Measured at amortized cost

The classification of financial instruments in "amortized cost" or "fair value through profit or loss" is based on the portfolio business model and in the characteristics of expected cash flow for each instrument.

The financial instruments for which the carrying amounts approximate the fair values, due to their nature, at the end of the reporting year are:

- Financial assets: (i) consumers, concessionaires and licensees, (ii) leases, (iii) receivables – CDE, (iv) pledges, funds and restricted deposits, (v) services rendered to third parties, (vi) collection agreements and (vii) sector financial asset and (viii) intragroup loans;
- Financial liabilities: (i) suppliers, (ii) regulatory charges, (iii) use of public asset, (iv) consumers and concessionaires, (v) FNDCT/EPE/PROCEL, (vi) collection agreement, (vii) reversal fund, (viii) payables for business combination, (ix) tariff discounts – CDE and (x) sector financial liability and (xi) intragroup loans.

In addition, in nine months periods of 2021 there were no transfers between the fair value hierarchy levels.

a) Valuation of financial instruments

As mentioned in note 4, the fair value of a security corresponds to its maturity value (redemption value) adjusted to present value by the discount factor (relating to the maturity date of the security) obtained from the market interest curve, in Brazilian reais.

The three levels of the fair value hierarchy are:

Level 1: Quoted prices in an active market for identical instruments;

Level 2: Observable inputs other than quoted prices in an active market that are observable for the asset or liability, directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Instruments whose relevant factors are not observable market inputs.

Pricing of forward and futures contracts is on the basis of future curves of the underlying assets. Said curves are usually provided by the stock exchanges on which these assets are traded, or other market price providers. When price is not available for the intended maturity, it is obtained on the basis of interpolation between available maturities.

The Company recognizes in "Investments in equity instruments" in the financial statements the 5.94% interest

held by the indirect subsidiary Paulista Lajeado Energia S.A. in the total capital of Investco S.A. ("Investco"), in the form of 28,154,140 common shares and 18,593,070 preferred shares. As Investco's main objective of its operations is to generate electric energy for commercialization by the shareholders holding the concession, the Company opted to recognize the investment at fair value, that is the best estimate of their cost, since there are no available recent information for the fair value calculation, according to CPC 48/IFRS 9.

b) Derivatives

The Group adopts a policy of using derivatives with the purpose of hedge (economic hedge) against the risks of fluctuations in exchange rates and interest rates, mostly comprising currency and interest rate swaps. The derivative transactions are entered into with first-tier banks and financial institutions with a local rating of at least AA- or B- global, rated by at least one of the S&P, Moody's or Fitch agencies, and in the case of more than 1, it is considered the lowest rating among them. Management has not identified for the period of 2021 and the year 2020 that the derivative financial assets had a significant impairment using the criterion of expected losses.

The Group adopts the policy of offering financial guarantees for the obligations of its subsidiaries and joint ventures. At September 30, 2021 and December 31, 2020, the Company had provided guarantees to certain financial institutions for the credit facilities granted to its subsidiaries and joint ventures, as mentioned in notes 18 and 19.

The hedging instruments entered into by the Group are currency or interest rate swaps with no leverage component, margin call requirements or daily or periodic adjustments.

As a large part of the derivatives entered into by the subsidiaries have their terms fully aligned with the hedged debts, and in order to obtain more relevant and consistent accounting information through the recognition of income and expenses, these debts were designated for the accounting recognition at fair value (notes 18 and 19). Other debts that have terms different from the derivatives contracted as a hedge continue to be recognized at amortized cost. Furthermore, the Group did not adopt hedge accounting for transactions with derivative instruments.

As of September 30, 2021, the Group had the following swap transactions, all traded on the over-the-counter market:

Strategy	Fair values (carrying amounts)			Values at cost, net (1)	Gain (loss) on fair value measurement	Currency / debt index	Currency / swap index	Maturity range	Notional
	Assets	Liabilities	Fair value, net						
Derivatives to hedge debts designated at fair value									
Exchange rate hedge									
Bank Loans - Law 4.131	838,447	-	838,447	790,342	48,105	US\$ + (Libor 3 months + 0.87% to 0.99%) or (1.83% to 3.66%)	99.80% to 116% of CDI or CDI + 0.61% to 0.90%	May/19 to February/21	2,009,271
Bank Loans - Law 4.131	457,904	-	457,904	457,335	568	Euro + 0.43% to 0.82%	102.6% to 105.8% of CDI or CDI + 0.58% to 1.10%	May/21 to March/25	1,620,981
	1,296,351	-	1,296,351	1,247,677	48,674				
Hedge variation price index									
Debentures	88,825	(35,498)	53,326	104,950	(51,624)	IPCA + 4.3% to 5.8%	104.3% a 111.07% do CDI	August/24 to May/31	471,900
Bank Loans - Law 4.131	-	(29,665)	(29,665)	1,589	(31,255)	6.16% to 7.38%	CDI + 0.69% to 0.88%	March/2024 to June/24	572,000
	88,825	(65,164)	23,661	106,539	(82,879)				
Subtotal debt hedge	1,385,176	(65,164)	1,320,012	1,354,217	(34,205)				
Others derivatives ⁽²⁾						Currency / debt index	Maturity range	Notional in US\$	
Commodity forward contract (aluminum)	-	(370)	(370)	-	(370)	aluminum (US\$/ton)	August/21 to January/22	4,318	
NDF Dollar	268	(23)	245	110	136	US\$	August/21 to January/22	6,227	
NDF	19,080	-	19,080	16,460	2,619	US\$	October/21	77,800	
NDF	-	(13)	(13)	(15)	2	EUR	October/21	252	
Subtotal others	19,348	(406)	18,942	16,555	2,387				
Total	1,404,524	(65,570)	1,338,954	1,370,771	(31,818)				
Current	385,633	(406)							
Noncurrent	1,018,891	(65,164)							

For further details on terms and information on debts and debentures, see notes 18 and 19

⁽¹⁾ The value at cost are the derivative amount without the respective fair value measurement, while the notional refers to the balance of the debt and is reduced according to the respective amortization;

⁽²⁾ Due to the characteristics of this derivative the notional amount is presented in U.S. dollar.

Changes in derivatives are stated below:

	Consolidated			
	At December 31, 2020	Monetary adjustment and exchange rate and fair value measurement	Repayment	At September 30, 2021
Derivatives				
To debts designated at fair value	1,966,378	201,367	(813,528)	1,354,217
Others	(978)	25,558	(8,025)	16,555
Fair value measurement (*)	118,018	(149,836)	-	(31,818)
Total	2,083,418	82,039	(826,503)	1,338,954
Assets - Current	744,660			385,633
Assets - Noncurrent	1,340,113			1,018,891
Liabilities - Current	(1,354)			(406)
Liabilities - Noncurrent	-			(65,164)

(*) The effects on the profit or loss and comprehensive income of 2021 related to the fair value adjustments (MTM) of the derivatives are:
(i) losses of R\$ 149,802 for the debts designated at fair value and (ii) losses of R\$ 34 for other derivatives.

As mentioned above, certain subsidiaries elected to fair value measurement debts for which they have fully debt-related derivatives instruments (note 18 and 19).

The Group has recognized gains and losses on their derivatives. However, as these derivatives are used as a hedging instrument, these gains and losses minimized the impacts of fluctuations in exchange and interest rates on the hedged debts. For the nine months periods ended at September 30, 2021 and 2020, the derivatives generated the following impacts on the consolidated profit or loss, recognized in the line item of Finance costs on monetary adjustment and exchange rate changes and in the consolidated comprehensive income in the credit risk in the fair value measurement related to debts at fair value:

Hedged risk / transaction	Gain (Loss)				Gain (Loss) in Comprehensive Income	
	2021		2020		2021	
	3rd quarter	nine months	3rd quarter	nine months	3rd quarter	nine months
Interest rate variation	41,925	82,622	8,619	15,836	-	-
Fair Value Measurement	(92,416)	(147,324)	(7,476)	(2,540)	(5,313)	(3,644)
Exchange variation	467,653	149,253	497,592	2,890,632	-	-
Fair Value Measurement	(65,476)	(11,028)	(51,344)	39,645	7,728	12,160
Total	351,685	73,523	447,391	2,943,574	2,415	8,516

c) Concession financial assets - distribution

As the distribution concessionaries classified the respective concession financial assets as fair value through profit or loss, the relevant factors for fair value measurement are not publicly observable. Therefore, the fair value hierarchy classification is level 3. The movements and respective gains (losses) in profit for or loss for in nine months periods of 2021 are R\$ 716,094 (R\$ 166,991 in nine months periods of 2020) and the main assumptions are described in note 11 and 27.

d) Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group uses derivatives to manage market risks.

e) Sensitivity analysis

The Group performed sensitivity analyses of the main risks to which their financial instruments (including derivatives) are exposed, mainly comprising changes in exchange and interest rates.

When the risk exposure is considered asset, the risk to be taken into account is a reduction in the pegged indexes, due to a consequent negative impact on the Group's profit or loss. Similarly, if the risk exposure is considered liability, the risk is of an increase in the pegged indexes and the consequent negative effect on the profit or loss. The Group therefore quantify the risks in terms of the net exposure of the variables (dollar, euro, CDI, IGP-M, IPCA, TJLP and SELIC), as shown below:

e.1) Exchange rates variation

Considering that the net exchange rate exposure at September 30, 2021 is maintained, the simulation of the effects by type of financial instrument for three different scenarios would be:

Instruments	Exposure (a) R\$ thousand	Risk	Consolidated		
			Income (expense)		
			Currency depreciation (b)	Currency appreciation of 25%(c)	Currency appreciation of 50%(c)
Financial liability instruments	(4,077,759)		(168,901)	892,764	1,954,429
Derivatives - Plain Vanilla Swap	4,186,336		173,398	(916,535)	(2,006,469)
	108,577	drop in the dollar	4,497	(23,771)	(52,040)
Financial liability instruments	(2,395,143)		(217,637)	435,558	1,088,753
Derivatives - Plain Vanilla Swap	2,433,793		221,149	(442,587)	(1,106,322)
	38,650	drop in the euro	3,512	(7,029)	(17,569)
Total	147,227		8,009	(30,800)	(69,609)
Effects on the comprehensive income			644	(2,708)	(6,059)
Effects on the net profit			7,365	(28,092)	(63,550)

Instruments	Exposure (a) US\$ thousand	Risk	Income (expense) on result		
			Currency depreciation (b)	Currency depreciation of 25% (c)	Currency depreciation of 50% (c)
Commodity forward contract (aluminum)	4,318	(d) drop in aluminum (US\$/ton)	-	(4,237)	(5,587)
NDF Dollar	84,027	(d) drop in the dollar	-	(114,310)	(228,619)

(a) The exchange rate considered at 09/30/2021 was R\$ 5.44 per US\$ 1.00 and R\$ 6.30 per €\$ 1.00.

(b) As per the exchange rate curves obtained from information made available by B3 S.A., with the exchange rate being considered at R\$ 5.66 and 6.87, and the currency depreciation at 4.14% and 9.09% for US\$ and €\$, respectively at 09/30/2021.

(c) As required by CVM Instruction No. 475/2008, the percentage increases in the ratios applied refer to the information made available by the B3 S.A..

(d) Owing to the characteristics of these derivatives, the notional amount is presented in US\$.

Due to the net exchange exposure of the dollar and the euro for the other derivative instruments is an asset, the risk is a drop in the dollar, and the euro, therefore, the exchange rate is appreciated by 25% and 50% in relation to the probable exchange rate.

e.2) Interest rates variation

Assuming that the scenario of net exposure of the financial instruments indexed to floating interest rates at September 30, 2021 is maintained, the net finance cost for the next 12 months for each of the three scenarios defined, would be:

Instruments	Consolidated						
	Exposure R\$ thousand	Risk	Rate in the period	Likely scenario rate (a)	Income (expense)		
					Likely scenario	Raising/Drop index by 25% (b)	Raising/Drop index by 50% (b)
Financial asset instruments	4,801,377				447,488	559,360	671,232
Financial liability instruments	(4,755,215)				(443,186)	(553,983)	(664,779)
Derivatives - Plain Vanilla Swap	(7,370,013)				(686,885)	(858,607)	(1,030,328)
	(7,323,851)	CDI apprec.	2.99%	9.32%	(682,583)	(853,230)	(1,023,875)
Financial liability instruments	(176,834)				(7,215)	(9,019)	(10,822)
	(176,834)	IGP-M apprec.	24.86%	4.08%	(7,215)	(9,019)	(10,822)
Financial liability instruments	(437,216)				(23,260)	(29,075)	(34,890)
	(437,216)	TJLP apprec.	4.61%	5.32%	(23,260)	(29,075)	(34,890)
Financial liability instruments	(7,402,950)				(490,816)	(368,112)	(245,408)
Derivatives - Plain Vanilla Swap	1,513,419				100,340	75,255	50,170
Concession financial asset	12,283,382				814,388	610,791	407,194
	6,393,851	drop in the IPCA	10.25%	6.63%	423,912	317,934	211,956
Setorial financial assets and liabilities	3,052,472				284,490	213,368	142,245
	3,052,472	drop in the SELIC	2.99%	9.32%	284,490	213,368	142,245
Total	1,508,422				(4,656)	360,022	(715,386)
Effects on the comprehensive income					613	70	(473)
Effects on the net profit					(5,269)	(360,092)	(714,913)

(a) The indexes were obtained from information available in the market.

(b) As required by CVM Instruction number 475/2008, the percentages of increase were applied to the indexes in the probable scenario.

f) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from Consumers, Concessionaires and Licensees and financial instruments. Monthly, the risk is monitored and classified according to the current exposure, considering the limit approved by Management.

Impairment losses on financial assets recognized in profit or loss are presented in note 7 – Consumers, Concessionaires and Licensees.

Accounts receivable and contract assets - Consumers, Concessionaires and Permissionaires

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, Management also considers the factors that may influence the credit risk.

The Group uses a provision matrix to measure the expected credit losses of trade receivables according to the consumer class (Residential, Commercial, Rural, Public Power, Public Lighting, Public Services), Other Revenues and Unbilled Revenue, comprising mostly a large number of dispersed balances.

Loss rates are based on actual credit loss experience over the past few years.

These rates reflect differences between economic conditions during the period over which the historical data have been collected, current conditions and the Group's view of future economic conditions over the expected lives of the receivables. Accordingly, an "adjusted" revenue was calculated, reflecting the Group perception on expected loss. Such "adjusted" revenue was allocated by consumption class (matrix) according to the interval currently used in the allowance guided by the regulatory parameters as follows:

Class	Days	Period
Residential	90	Revenue of 3 months prior to the current month
Commercial and other revenues	180	Revenue of 6 months prior to the current month
Industrial, rural, public power in general	360	Revenue of 12 months prior to the current month
Unbilled	-	Uses revenue of the same month

Therefore, based on the assumptions above, an "Adjusted" ratio of the allowance for doubtful accounts ("ADA") for the month is calculated, which was determined dividing the "Actual ADA" allowance by the "Adjusted

Revenue" for each month. Then, the ADA is estimated monthly, considering the respective moving average for the months of the "Adjusted" monthly ratios and applied to the actual revenue for the current month.

Based on this criterion, the ADA allowance percentage to be applied is changed monthly to the extent that the moving average is calculated.

The methodology used by Management includes a percentage that is compliant with the IFRS rule described as expected credit losses, including in a single percentage the probability of loss, weighted by the expected loss and possible outcomes, that is, including Probability of default ("PD"), Exposure at default ("EAD") and Loss Given Default ("LGD").

Macroeconomic factors

After studies developed by the Group to assess which variables present a correlation ratio with the actual amount of Expected Credit Losses Allowance, in addition to the effects of the COVID-19 pandemic and which are considered in our calculation methodology, no other ratios or macroeconomic factors that would have material impacts or that had direct correlation with the default level were identified.

Cash, cash equivalents and Marketable securities

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties (banks and financial institutions) that have a credit rating of at least AA-.

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. Management did not identify for the 2021 period and the year ended December 31, 2020 that the securities had a significantly change in credit risk.

Derivatives

The Group adopts a policy of using derivatives with the purpose of hedge (economic hedge) against the risks of fluctuations in exchange rates and interest rates, mostly comprising currency and interest rate swaps. The derivative transactions are entered into with first-tier banks and financial institutions with a local rating of at least AA- or B- global, rated by at least one of the S&P, Moody's or Fitch agencies, and in the case of more than 1, it is considered the lowest rating among them (note 34 b). Management did not identify for in nine months periods ended September 30, 2021 and the year ended December 31, 2020 that the derivative financial assets had a significant impairment using the criterion of expected losses.

The Group adopts a policy of providing financial guarantees for the obligations of its subsidiaries and joint ventures. At September 30, 2021 and December 31, 2020, the Company had provided guarantees to certain financial institutions with respect to the credit lines granted to its subsidiaries and joint ventures, as presented in notes 18 and 19.

The effects and disclosures in these interim financial statements, resulting from the pandemic caused by COVID-19, are described in note 1.1.

(35) NON-CASH TRANSACTIONS

	Consolidated	
	September 30, 2021	September 30, 2020
Capitalized interest	28,707	21,085
Transfer between property, plant and equipment and other assets	(156)	837

(36) EVENTS AFTER THE REPORTING PERIOD

36.1 Business combination: auction of shareholding control of Companhia Estadual de Transmissão de Energia Elétrica ("CEEE-T")

On July 16, 2021, subsidiary CPFL Cone Sul was ranked first in Auction No. 01/2021, referring to the sale of the shareholding control of Companhia Estadual de Transmissão de Energia Elétrica ("CEEE-T"), carried out by B3 – Brasil, Bolsa, Balcão S.A. ("Auction").

CPFL Energia, within the scope of the public session of the Auction, through CPFL Cone Sul, submitted the winning offer, amounting to two billion, six hundred and seventy million reais (R\$ 2,670,000,000.00), for the acquisition of shares representing approximately 66.08% of the total share capital of CEEE-T (approximately 67.12% of common shares and 0.72% of preferred shares), previously held by the state of Rio Grande do Sul.

On September 24, 2021, the transaction was approved by the Brazilian Antitrust Agency (CADE), and on September 30, 2021, authorization was obtained from ANEEL.

On October 14, 2021, the completion of the acquisition ("acquisition date") was announced to the market after all the conditions precedent of the transaction were met, date on which the control of CEEE-T was assumed by CPFL Cone Sul, ownership of the shares was transferred, and payment was made. This acquisition resulted in a business combination in accordance with CPC 15 (R1)/IFRS 3, since CPFL Cone Sul now holds the control of CEEE-T.

The acquisition is in line with CPFL Energia's strategic objective and will enable greater value creation for its shareholders, through the (i) optimization of operating expenses, generating a higher margin; (ii) exploration of a low-risk asset with high potential for expansion of investments and consequent increase in remuneration; (iii) diversification of CPFL Energia's portfolio through a new sub-segment that will allow synergies with CPFL's other operations; and (iv) optimization of financing conditions, improving leverage.

CEEE-T is a publicly-held company whose main purpose is to carry out studies, projects, construction and operation of electricity transmission lines, as well as to conduct company procedures arising from these activities.

CEEE-T holds a 94.22% interest in Transmissora de Energia Sul Brasil S.A. ("TESB"), whose corporate purpose is to exploit the concession of public electricity transmission service, provided through the construction, assembly, operation and maintenance of transmission lines and substations facilities for a period of 30 years. This concession is expected to end on July 27, 2041.

The administrative head office is located at Avenida Joaquim Porto Villanova, 201, Building A, Room 722, Bairro Jardim Carvalho, Porto Alegre, State of Rio Grande do Sul, a mixed capital company, and its controlling shareholder until October 13, 2021 is the State of Rio Grande do Sul.

CEEE-T has 6,037 km of transmission lines, 72 substations and holds three concessions to explore public electricity transmission services:

- a. Concession Agreement No. 055/2001: With Provisional Executive Order (MP) No. 579 in force (Law No. 12,783/2013), the term of the Concession Agreement was extended for another 30 years and is effective until December 31, 2042;
- b. Concession Agreement No. 080/2002: The Concession Agreement is effective for thirty (30) years, as of the beginning of operation of the transmission facilities, object of the agreement, and may be renewed for an equal period. This concession is expected to end on December 18, 2032.
- c. Concession Agreement No. 4/ 2021-ANEEL: Construction works in progress with a deadline for energization until September 30, 2024. This concession is expected to end on March 31, 2051.

a) Consideration transferred

The consideration transferred amounted to R\$ 2,670,000, paid in cash, in a single installment, on the acquisition date. This consideration will not be subject to any type of adjustment, for example, for changes in working capital and net debt.

b) Assets acquired, liabilities recognized and non-controlling interest on acquisition date

Initial accounting is not available until the date of publication of this interim financial information, as the fair values to be considered must be prepared at acquisition date, that is, October 14, 2021. Accordingly, the required disclosure regarding the fair values calculated is not presented in this interim financial information.

Considering the complexity involved in the process of measuring fair values, these amounts will be confirmed after the completion of an appraisal report to be prepared by an independent appraiser through the issuance of an economic and financial appraisal report. Management expects the report to be completed by October

2022. Costs related to the acquisition, recorded as an expense in P&L until the third quarter of 2021, totaled approximately R\$ 3,297.

Additionally, no fair value adjustment of assets and liabilities was recognized in the period of this interim financial information.

c) Contingent consideration

The agreement does not contain any provision related to contingent consideration to be paid to the seller.

d) Indemnification assets

The agreement does not provide for any situations in which CPFL Cone Sul may be indemnified.

e) Net cash outflow on acquisition

Considering that CEEE-T had a balance at October 1, 2021 (date of opening statement of financial position for business combination purposes) of R\$ 478,405 and that the consideration transferred was R\$ 2,670,000, the net cash outflow on acquisition was R\$ 2,191,595.

f) Net operating revenue and profit for the period of the acquired subsidiary included in the consolidated financial statements

Considering that the acquisition date was October 14, 2021, no amounts of revenues, expenses, assets and liabilities were recorded in this interim financial information.

*** Information on the Public Offering of Shares ("OPA")**

As a condition of the Agreement for the Purchase and Sale of Shares and Other Covenants ("Agreement"), CPFL Cone Sul will require CVM, within thirty (30) days as of the execution of the Agreement, to register an OPA owned by the other shareholders of CEEE-T, pursuant to article 254-A et seq. of the Corporation Law, CVM Instruction No. 361, of March 5, 2002, as amended, and the Agreement.

The circumstances covered by article 256 of the Brazilian Corporation Law did not take place and, therefore, the Company's shareholders will not be granted the right to withdraw.

36.2 Exclusion of ICMS from PIS and COFINS calculation base

In October 2021, the subsidiaries CPFL Paulista and CPFL Piratininga obtained the final and unappealable decision in their lawsuit, having recognized their right to not include the ICMS amounts billed in the PIS and COFINS calculation basis, as well as, recover amounts previously collected (from June 2005). In June 2021, these subsidiaries had already recorded tax assets to be offset and liabilities to consumers given the similarity of the cases as described in note 8.1: CPFL Paulista (R\$ 4,087,795), CPFL Piratininga (R\$ 1,816,858).

For the subsidiary CPFL Brasil, the action became final and unappealable in October 2021, and the PIS and COFINS credit, equally as in other companies under the same circumstances, was recognized in June 2021. The approximate credit is R\$ 85,078 and was recorded in deduction of PIS/COFINS revenue and monetary updates.

36.3 CPFL Piratininga annual tariff adjustment

On October 21, 2021, ANEEL published Ratifying Resolution ("REH") No. 2,966, relating to the result of the 2021 RTA, which set the average readjustment of the Company's tariffs, effective from October 23, 2021, by +14.78%, with +8.17% referring to the economic tariff adjustment and +6.62% referring to the relevant financial components. The total average effect to be perceived by consumers is +12.40%, considering the removal of the financial components of the previous year from the tariff base.

36.4 Borrowings, financings and Debentures - raised

As of October 1, 2021 and until the approval of this interim accounting information, the following funding was added to Borrowings, financings and Debentures:

Category Subsidiary	Release month	Released	Interest payment	Repayment	Effective annual rate	Effective rate with derivative	Covenants
Local currency							
Debentures							
RGE	October 2021	603,000	Semiannually	Three instalments in September 2026, September 2027 and September 2028	CDI + 1.58%	CDI + 1.26%	(a)
Promissory notes							
CPFL Brasil	October 2021	960,000	Semiannually	End of contract	CDI + 1.08%	CDI + 0.88%	(a)
Foreign currency							
Law 4,131							
CPFL Piratininga	October 2021	121,000	Semiannually	End of contract	0.7820%	CDI + 0.74%	(a)
CPFL Geração	October 2021	135,000	Semiannually	End of contract	0.7820%	CDI + 0.74%	(a)
CPFL Geração	October 2021	305,000	Annual payment	End of contract	1.16%	CDI + 0.55%	(a)

(a) Ratios required for the consolidated financial statements of CPFL Energia: Debt indebtedness divided by EBITDA smaller than or equal of 3.75 and EBITDA divided by the finance income/expense results greater than or equal of 2.25.

BOARD OF DIRECTORS

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Report on Review of interim Financial Information - ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities and Exchange Commission (CVM), prepared in accordance with CPC 21(R1) and International Standard IAS 34 - Interim Financial Reporting, issued by International Accounting Standards Board – (IASB), and in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information (ITR))

To the Board Directors and Shareholders of
CPFL Energia S.A.
Campinas - SP

Introduction

We have reviewed the individual and consolidated interim financial information of CPFL Energia S.A. ("the Company"), included in the Quarterly Information Form (ITR), for the quarter ended September 30, 2021, which comprises the statement of financial position as of September 30, 2021 and the respective statements of profit or loss and other comprehensive income for the three and nine-month periods then ended, and changes in shareholders equity and cash flows for the nine-month period then ended, comprising the explanatory footnotes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21(R1) and International Standard IAS 34 - Interim Financial Reporting, issued by International Accounting Standards Board – (IASB), and for presentation of these interim financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and International standards on review engagements (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of the Quarterly Information - ITR and presented in accordance with the rules issued by Brazilian Securities

and Exchange Commission - CVM.

Other matters - Statements of Value Added

The quarterly information referred to above include the individual and consolidated statements of value added (DVA) for the nine-month period ended September 30, 2021, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed together with the review of the Company's interim financial information, in order to form our conclusion whether they are reconciled to the interim financial information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the statements of value added were not prepared, in all material respects, in accordance with the criteria set on that Standard and consistently with the individual and consolidated interim financial information taken as a whole.

Campinas, November 10, 2021.

KPMG Auditores Independentes Ltda.
CRC 2SP027612/O-4

(Original in Portuguese signed by)
Marcio José dos Santos
Accountant CRC 1SP252906/O-0

DECLARAÇÃO	STATEMENT
<p>Em atendimento ao disposto nos incisos V e VI do artigo 25 da Instrução CVM nº 480, de 07 de dezembro de 2009, alterada pela Instrução CVM nº 586, de 8 de junho de 2017, o presidente e os diretores da CPFL Energia S.A., sociedade por ações de capital aberto, com sede na Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, na Cidade de Campinas, Estado de São Paulo, inscrita no CNPJ sob nº 02.429.144/0001-93, declaram que:</p> <p>a) reviram, discutiram e concordam com as opiniões expressas no parecer da KPMG Auditores Independentes, relativamente às demonstrações financeiras da CPFL Energia S.A. de 30 de setembro de 2021;</p> <p>b) reviram, discutiram e concordam com as demonstrações financeiras da CPFL Energia S.A. de 30 de setembro de 2021.</p> <p>Campinas, 08 de novembro de 2021.</p>	<p>In compliance with the provisions in items V and VI of article 25 of the Brazilian Securities & Exchange Commission (CVM) Instruction No. 480, of December 7, 2009, as amended by CVM Instruction No. 586, of June 8, 2017, the chief executive officers and the officers of CPFL Energia S.A., a publicly traded company, with its registered office at Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, Campinas, Estado de São Paulo - Brazil, enrolled with the National Register of Legal Entities (CNPJ) under No. 02.429.144/0001-93, hereby stated that:</p> <p>a) they have reviewed and discussed, and agree with, the opinions expressed in the opinion of KPMG Auditores Independentes on the financial statements of CPFL Energia S.A., of September 30, 2021;</p> <p>b) they have reviewed and discussed, and agree with, the financial statements of CPFL Energia S.A., of September 30, 2021.</p> <p>Campinas, November 8, 2021.</p>

Sergio Luis Felice
Diretor de Contabilidade
Chief Accounting Officer
CT CRC: 1SP192.767/O-6
CPF: 119.410.838-54

Yuehui Pan
Diretor Vice-Presidente Financeiro e de
Relações com Investidores
Chief Financial and Investor Relations
Officer
CPF: 061.539.517-16

Gustavo Estrella
Diretor Presidente
Chief Executive Officer