Earnings Release

4Q16 and 2016

Contents

Message from the CEO

In 2016, renewable sources continued to gain momentum in Brazil and around the world. Despite the difficulties and instability in the Brazilian economy, the country's wind power installed capacity reached the milestone of 10 GW, with 1.3 GW originated by CPFL Renováveis.

This year we are continuing with our strategy of diversification and operating in various regions across the country. We invested R$930 million in expansion projects, following our historic of delivering projects on schedule and within budget. In December 2016, we reached the milestone of 2 GW of installed capacity, becoming the largest renewable energy company in Latin America.

In 2016, the Company generated 14.9% more energy than in 2015. Net revenue grew 9.8% in the year and EBITDA reached R$1 billion in the period, remaining stable from the previous year.

CPFL Renováveis relies on the capability and knowledge required to implement competitive projects in a sector with strong growth outlook and vital to the development of the country.

Gustavo Sousa

Chief Executive Officer and Interim Chief Financial and Investor Relations Officer

4Q16 and 2016 Results

São Paulo, March 22, 2017 – CPFL Energias Renováveis S.A. today announces its results for the fourth quarter (4Q14) and fiscal year 2016. Except where stated otherwise, the following financial and operating information is presented on a consolidated basis and in accordance with Brazilian corporate law.

Highlights of the quarter and the year

i. Energy generation of 1,853.1 GWh (+13.3% vs. 4Q15) and 6,537.9 GWh (+14.9% vs. 2015).

ii. Net revenue of R$ 501.9 million (+14.7% vs. 4Q15) and 1,646.6 million (+9.8% vs. 2015).

iii. EBITDA of R$ 269.5 million (-27.6% vs. 4Q15) and R$ 993.1 million (-0.8% vs. 2015). Adjusted EBITDA of R$ 346.8 million (+3.0% vs. 4Q15) and R$ 1,084.5 million (+0.9% vs. 2015).

iv. Investments of R$ 929.8 million, mainly in projects under construction.

v. In December 2016, CPFL Renovavéis reached 2,054 GW of installed capacity in operation with the startup of 100% of the turbines of the São Benedito and Campo dos Ventos wind complexes.

vi. Liquidity adequate for the Company's profile: cash balance of R$ 1.5 billion.[1]

vii. On December 29, 2016, the Company received injections in the amount of R$ 300 million as Advance for Future Capital Increase (AFCI) from controlling shareholder CPFL Geração de Energia S.A.

viii. Following up on the material fact notices published on September 2, 22, 23 and 28, 2016, November 23, 2016, and December 13, 2016, the Company published on January 23, 2017 a material fact notice to the market announcing the consummation of the share acquisition agreement between State Grid Brazil and the controlling block of CPFL Energia. With the consummation, State Grid Brazil became the parent company of CPFL Energia and, consequently, the indirect parent company of CPFL Renováveis. In compliance with applicable laws, State Grid will make public offers to acquire all the common shares held by the remaining shareholders of CPFL Energia and CPFL Renováveis ("Public Tender Offers for Acquisition of Control"). In accordance with the material fact notice published on February 16, 2017, State Grid announced to the market that it also intended to make a unified public tender offer, parallel to the Public Tender Offers for Acquisition of Control, for the shares issued by the Company, in order to: (i) cancel its registration with the CVM as a publicly held company in the "A" category and convert it to category "B"; and (ii) withdraw

[1] Includes cash and cash equivalents, financial investments, securities, reserve account (restricted financial investments).

the Company from the Special Listing Segment of BM&FBOVESPA called Novo Mercado ("Public Tender Offer to Delist from Novo Mercado" and Public Tender Offer for Acquisition of Control, Public Tender Offer to Change Registration and Public Tender Offer to Delist from Novo Mercado, jointly referred to as "Unified Public Tender Offer"). As informed in the material fact notice disclosed on February 23, 2017, State Grid carried out the documentation protocols related to the Unified Public Tender Offer at the CVM, which is now under analysis by it. State Grid reserved the right to launch only one Public Tender Offer for Acquisition of Control and cancel the Public Tender Offer to Change Registration and the Public Tender Offer to Delist from Novo Mercado if the Offer Price is lower than the fair value of the Company's shares, as determined in the Valuation Report to be prepared for the Public Tender Offer to Change Registration and the Public Tender Offer to Delist from Novo Mercado, in accordance with the applicable regulations.

Economic and Operating Indicators

R$ thousand	4Q16	4Q15	4Q16 vs. 4Q15	2016	2015	2016 vs. 2015
Income Statement						
Net Revenue	501,857	437,427	14.7%	1,646,588	1,499,356	9.8%
Ebitda[1]	269,502	372,047	-27.6%	993,129	1,001,350	-0.8%
Ebitda Margin	53.7%	85.1%	-31.4 p.p	60.3%	66.8%	-6.5 p.p
Net Result	(26,245)	82,643	-131.8%	(143,706)	(48,717)	195.0%
Investments	**127,540**	**199,542**	**-36.1%**	**929,768**	**482,004**	**92.9%**
Operational Indicators						
Capacity (MW)	2,054	1,799	14.2%	2,054	1,799	14.2%
# assets in operation	91	81	12.3%	91	81	12.3%
Energy generation (GWh)	1,853	1,636	13.3%	6,538	5,689	14.9%
Number of employees	432	394	9.6%	432	394	9.6%

[1] EBITDA corresponds to net income before: (i) depreciation and amortization expenses; (ii) income and social contribution taxes (federal income taxes); and (iii) financial result, pursuant to CVM Instruction 527 of October 4, 2012.
[2] As a result of the settlement in the Electricity Trading Chamber (CCEE), for accounting effects the Company considers generation provisioned in the last month of the current period.

Portfolio in operation

One of the competitive advantages of CPFL Renováveis is its diversified portfolio, which at the end of 2016 comprised 91 plants located in 57 Brazilian cities. To service this portfolio, the Company relies on a robust and highly scalable platform.

In 4Q16, the Company's capacity totaled 2,054.3 MW, up 14.2% from 4Q15. This increase is due to the commercial startup of SHPP Mata Velha (+24.0 MW) in May 2016, as well as wind complexes Campo dos Ventos and São Benedito (+231.0 MW), with gradual startup since May 2016.

At the end of 4Q16, the Company's capacity was distributed as follows:

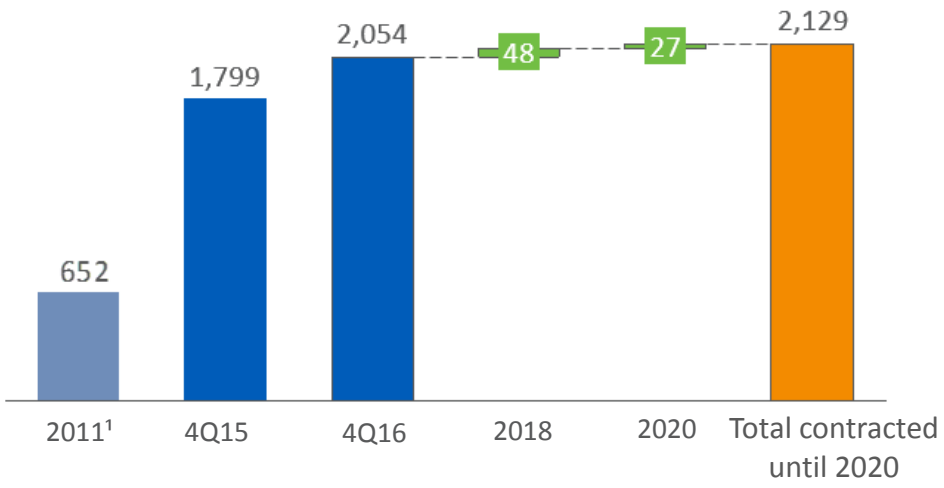
Source	Capacity in operaion (MW)	Number of assets	% of portfolio
Wind	1,260.2	43	61.3%
SHPP	423.0	39	20.6%
Biomass	370.0	8	18.0%
Solar	1.1	1	0.1%
Total in operation	**2,054.3**	**91**	100.0%

Portfolio: projects under construction

The Company currently has two projects under construction, which will add 74.8 MW to its generation capacity over the next four years:

Project	Source	State	Location	Capacity (MW)	Start of operations
Wind Complex Pedra Cheirosa	Wind	CE	Itarema	48.3	1H18
Boa Vista II SHPP	SHPP	MG	Varginha	26.5	2020
Total in progress				**74.8**	

Evolution of contracted portfolio until 2020 (MW)



[1]August 2011 – Creation of CPFL Renováveis

Status of Works

Below is the status of each project under construction:

Pedra Cheirosa Wind Complex

- 48.3 MW of installed capacity
- Installation license issued in February 2016
- BNDES approval obtained and civil construction started in June 2016
- Assembly of wind turbines started in March 2017
- Plants in the complex:
  - Pedra Cheirosa I
  - Pedra Cheirosa II
- Location: Itarema / CE

SHPP Boa Vista II

- 26.5 MW of installed capacity
- Installation license issued in July 2016
- Construction started in February 2017
- Landfill and ground excavation activities in progress
- Location: Varginha / MG

Apart from the assets in operation and projects under implementation, the Company has a pipeline of projects under development with total capacity of 3.0 GW.

Generation conditions

Wind source

Energy generation from wind projects in Brazil has registered strong growth in recent years. The installed capacity of wind farms in Brazil reached 10.8 GW in February 2017, distributed among 432 wind farms. Brazil's electricity grid is expected to have 24.0 GW of wind power generation capacity by the end of 2024[2].

Energy generation by wind farms varies mainly according to average wind speed. In the Northeastern and Southern regions of Brazil, wind farms generate less energy in the first and second quarters of the year due to lower average wind speed, compared to the third and fourth quarters. The same seasonal effect can be observed in revenues, since revenue from wind farms is directly related to effective generation by the farms.

Note that each wind farm has its capacity factor defined according to a certificate issued by independent specialized companies, mainly based on the characteristics of the wind measured in the region and the specific characteristics of each project. The volume of energy that can be traded in wind projects is based on their certified generation potential. Furthermore, a wind project is only allowed to sell its energy through regulated energy auctions if the measurement of capacity factor considers wind measurements of at least three years. Hence, the efficiency of wind farms can be measured by comparing the certified capacity factor and effective generation by the asset, considering the generation during 12-month periods, which is the time frame required to eliminate any effects of seasonal variations in winds during the year.

Hydro source

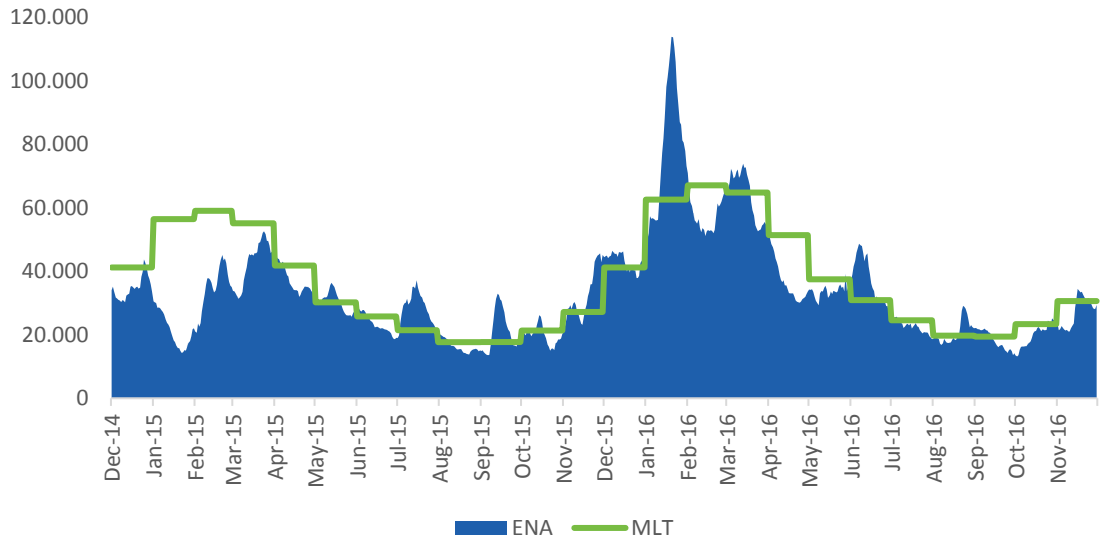
According to Brazil's National Electricity Regulatory Agency (ANEEL), small hydroelectric plants (SHPP) are small plants with installed capacity between 3 MW and 30 MW and reservoir areas of up to three square kilometers. Due to their specific characteristics compared to large plants and the possibility of construction near major urban consumption centers, these projects represent an adequate alternative for complementing Brazil's energy grid. Currently, about 64.7% of Brazil's installed capacity is concentrated in hydroelectric projects, 3.6% of which are SHPPs (5.5 GW in installed capacity distributed among 1,031 projects[3]). Brazil's electricity grid is expected to have 8.0 GW in hydroelectric energy capacity (SHPP) capacity by the end of 2024[4].

Hydroelectric energy is generated from river flows, which can be measured through Affluent Natural Energy (ENA) into reservoirs. ENA is the volume of energy that can be generated using the flow of water of a given river to the point of use. The higher the ENA more the energy that can be generated. ENA values are expressed in MWavg or as a percentage of the long-term historic average (%LTA), which began in 1931. ENAs vary mainly with rainfall and directly influence generation by hydroelectric plants in the region in question.

[2] Ten-Year Energy Expansion Plan 2024 (MME) and Abeeólica.
[3] Considers SHPPs (Small Hydroelectric Power Plants) and CGHs (Hydroelectric Power Generation Centrals) – Source: BIG (ANEEL) - February/2017
[4] Ten-Year Energy Expansion Plan 2024 (MME).

Below is the ENA history for the last 24 months ended December 2016 of the Southeast and Midwestern and Southern sub-systems, where the SHPPs operated by CPFL Renováveis are located.

Affluent Natural Energy (ENA) - Southeast / Midwest
(MWavg – last 24 months – December 2016)

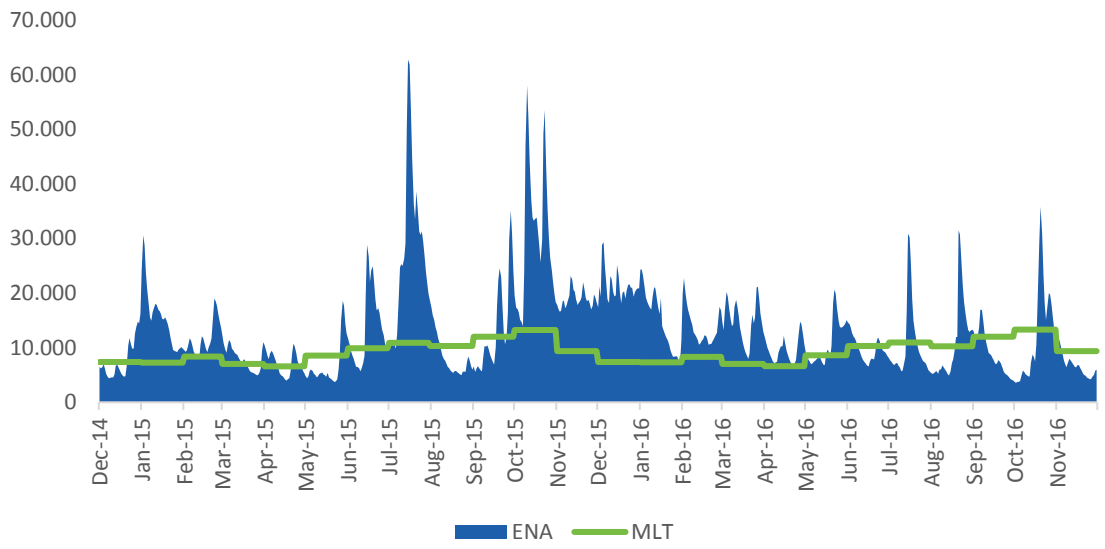


Source: National Electricity System Operator (ONS)

The Southeast and Midwestern regions, where most of the SHPPs of CPFL Renováveis are located, ended 2016 with reservoir[5] storage levels at 33.8%, up 4.0 p.p. from the levels seen at the end of 2015 (29.8%). Improved affluence combined with lower load due to economic contraction in 2016 contributed to better reservoir levels in the Southeast.

[5] Source: National Electricity System Operator (ONS) – Daily Operations Bulletin (December 2016)

Affluent Natural Energy (ENA) – South
(MWavg – last 24 months – December 2016)

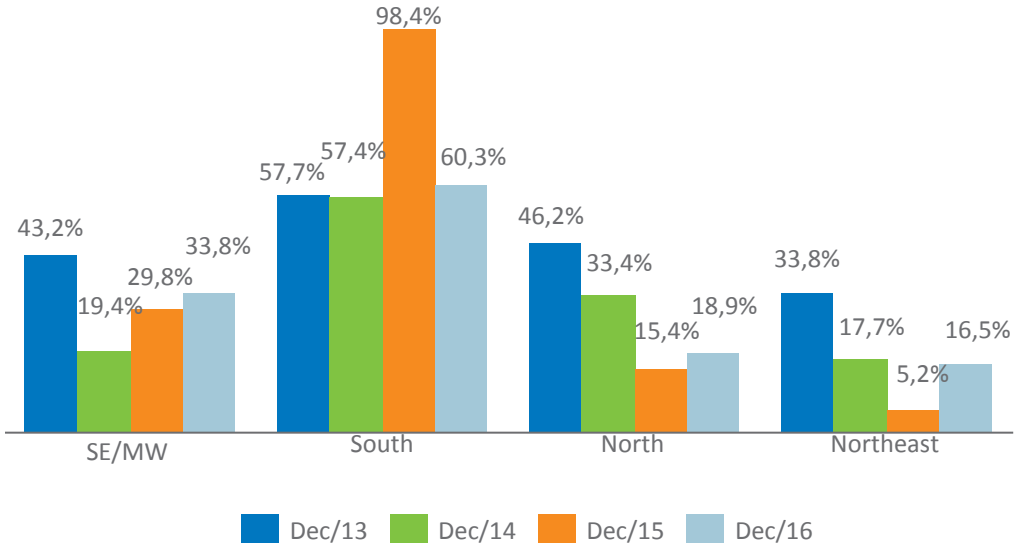


Source: ONS

In the Southern region, reservoir levels ended 2016 at 60.3% of their storage capacity, increasing by 38.1 p.p. from the end of 2015 (98.4%). The decrease in reservoir levels in the Southern region is basically explained by a less favorable hydrological situation in 2016.

Energy stored is the energy available based on the water in reservoirs that can be used at the respective operational levels. It is represented as a percentage of maximum storable energy. The following chart shows that all regions increased their reservoir levels in December 2016.

Reservoir storage levels in December - 2013 to 2016



Source: ONS

Energy Reallocation Mechanism (MRE): Revenues from SHPPs are recognized based on the seasonally adjusted physical guarantee of each plant registered at the Electricity Trading Chamber (CCEE). The difference between energy generated and physical guarantee is covered by the Energy Reallocation Mechanism (MRE). The volume of energy generated above or below physical guarantee is valued by a tariff called the "Energy Optimization Tariff" (TEO), which covers only the plant's variable operating and maintenance costs, and this additional revenue or expense is accounted monthly for each generator. It was R$ 12.32/MWh in 2016 and will be R$ 11.58/MWh in 2017. These amounts are restated by the National Electricity Regulatory Agency (ANEEL).

If the plants in the MRE do not generate the sum of the physical guarantees due to unfavorable hydrological conditions, they apportion the energy deficit in proportion to their physical guarantees and the financial settlement is valued at the Differences Settlement Price (PLD). This effect is defined as the Generation Scaling Factor (GSF).

In 2016, the minimum PLD defined by ANEEL was R$ 30.25/MWh and the maximum PLD was R$ 422.56/MWh. For 2017, the minimum PLD will be R$ 33.68/MWh and the maximum PLD will be R$ 533.82/MWh.

In 4Q16, the Company had four SHPPs (Socorro, Três Saltos, Dourados and Guaporé) outside the MRE since they did not meet the generation requirements as per ANEEL Resolution 409/2010. These SHPPs had total capacity of 6.8 MWavg (equivalent to 0.8% of the physical guarantee of total portfolio). Therefore, these SHPPs must purchase energy in the free market to meet their energy sale agreements whenever generation is lower than the energy contracted in that period.

In accordance with Dispatch no. 3,264/2015, SHPPs Paiol and Pirapó, which together account for 11.0 MWavg, should also have been excluded from the MRE starting January 1, 2016, for failing to meet the requirements established in ANEEL Resolution 409/2010. However, in December 2015, CPFL Renováveis, through ABRAGEL (Brazilian Association of Clean Energy Generation), obtained an injunction that suspended the exclusion of these plants from the MRE.

On September 29, 2016, dispatch no. 2,618/2016 was published, which included a list of the 15 hydroelectric plants of CPFL Renovavéis that must be removed from the MRE as from January 1, 2017. The hydroelectric plants notified were Americana, Buritis, Diamante, Andorinhas, Lençóis, Monjolinho, Eloy Chaves, Jaguari, Salto Grande, Santana, São Gonçalo, Cocais Grande, Ninho da Águia, Corrente Grande and Barra da Paciência, which together amount to 71.9 MW average (equivalent to 8.5% of the total portfolio's physical guarantee). However, on November 18, 2016, Law no. 13,360 was enacted, converting Provisional Measure 735/2016 and determining that hydroelectric plants not centrally dispatched who choose to participate in the MRE can only be excluded from the mechanism upon their own request or in the case of loss of concession. As such, through Dispatch 3,144, ANEEL revoked Dispatch 2,618/2016 on December 1, 2016. Therefore, the aforementioned plants will remain in the MRE in 2017.

In February 2017, the Office of the General Counsel for the Federal Government (AGU) published two Notes ratifying the understanding that with the publication of Law 13,360/2016, Dispatch 3,264/2015 should be revoked since it is time-barred. Similarly, the injunction loses its effect in this scenario. Thus the AGU concludes that there is no legal basis for ANEEL to exclude the hydroelectric plants from the MRE. However, ANEEL has yet to formally confirm the information for the lawsuit to be withdrawn.

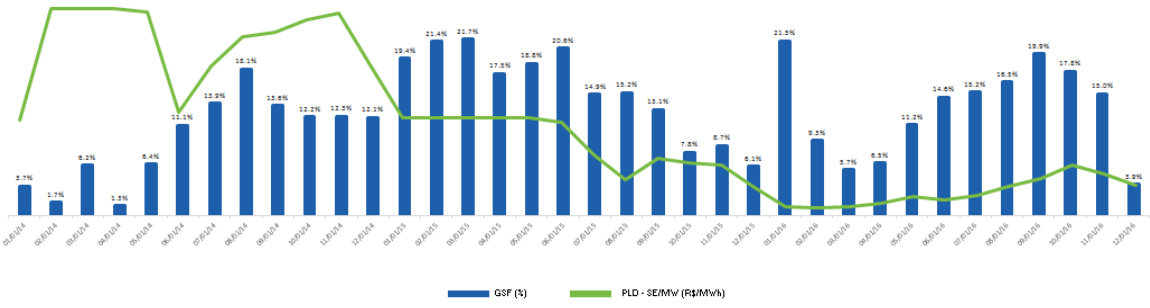
Treatment given to plants that were already outside the MRE at the time of the publication of said Law, as well as the treatment given to plants that remained in the mechanism in 2016 by force of the injunction, is under analysis by the Prosecutor's Office of ANEEL.

Injunction on revision of physical guarantee: The adverse hydrological scenario in recent years has directly impacted generation at hydroelectric plants. The result of this systemic anomaly is that generation has been lower than physical guarantee in many hydroelectric plants. The Ministry of Mines and Energy ("MME") is responsible for the methodology of revision of physical guarantee, which considers the generation history of the SHPPs since 2001. Considering this scenario, the physical guarantees of some of the SHPPs of CPFL Renováveis should be marked down. However, CPFL Renováveis, through the Brazilian Association of Clean Energy Generation (ABRAGEL), obtained an injunction suspending the effects of Decree 463/2009 related to the revision of the physical guarantee of SHPPs, reestablishing the original values and preventing new revisions until the pleas of generators are discussed among the agents. Meanwhile, the CCEE should consider the original values established for SHPPs included in the suit, as well as in the accounting and settlement processes after the injunction.

On December 28, 2016, the MME published Decree no. 714/2016, which extends until December 31, 2017 the amounts in force for the physical guarantees of hydroelectric plants that are centrally dispatched. By April 30, 2017, the MME will publish the revised amounts of physical guarantees only for the hydroelectric plants (UHEs).

The following charts show the GSF history (energy deficit generated by hydroelectric plants) and average PLD for the Southeastern/Midwestern regions since January 2014.

GSF[1] (energy deficit generated in %) vs. PLD in the Southeast and Midwestern region (R$/MWh)



Source: CCEE.

[1] The values shown in the chart are negative, but inverted for better viewing of information. December 2016 is provisioned in CCEE.

Renegotiation of hydrological risk (GSF): Since the end of 2013, generation by hydroelectric plants participating in the MRE has been lower than their physical guarantees, resulting in costs due to GSF being lower than one.

ANEEL discussed the matter through Public Hearing 32 (AP 32/2015) to obtain supporting data and additional information for a conceptual discussing of GSF. Several industry agents and associations submitted proposals for structuring and mitigating the GSF risk.

As a result of negotiations that took place in 2015, ANEEL created a methodology to allow generators to exchange the risk of not being able to generate the equivalent of their physical guarantees for a "risk bonus" to be calculated for each plant.

Together with the progress of AP 032/2015, MP 688 was published in August 2015, which determines the criteria for renegotiating the hydrological risk (GSF). Law 13,203/2015, sanctioned and enacted in December 2015, resulted from the conversion of said MP and allowed hydroelectric generators to renegotiate the risk of their agreements due to years of low rainfall.

Therefore, through dispatches no. 4,122 of December 24, 2015, and no. 4,132 of December 28, 2015, ANEEL approved the renegotiation of hydrological risk of the following CPFL Renováveis plants: SHPP Arvoredo, SHPP Salto Góes, SHPP Varginha, SHPP Santa Luzia, SHPP Plano Alto, SHPP Alto Irani, SHPP Cocais Grande, SHPP Figueirópolis and SHPP Ludesa. On December 31, 2016, the amount renegotiated is equivalent to 91.3 MWavg of physical guarantee (38.8% of the total SHPP portfolio), and the product of adhesion was the SP100*, as shown in the table below:

SHPP	Physical Guarantee (MWavg)	MWavg renegotiated*	Product**
Arvoredo	7.4	7.0	SP100
Salto Góes	11.1	11.1	SP100
Varginha	5.4	4.0	SP100
Santa Luzia	18.4	14.0	SP100
Plano Alto	9.3	9.3	SP100
Alto Irani	12.4	12.4	SP100
Cocais Grande	4.6	4.6	SP100
Figueirópolis	12.6	12.2	SP100
Ludesa	21.2	16.7	SP100
TOTAL	**102.4**	**91.3**	

* Physical guarantee amounts in accordance with ANEEL Decree no. 30.
** SP 100 is the product where the generator transfers the hydrological risk (GSF) and secondary energy to the Centralized Account of Tariff Flag Funds (CCRBT), as specified by REN 684/2015. This term means that the Company renegotiated 100% of the hydrological risk (GSF) of plants in the ACR for a bonus of R$9.50/MWh.

Generators who opted for renegotiation of the hydrological risk (GSF) of plants had to cancel any ongoing lawsuits and settle the GSF obligations between May and December 2015, after which they would be entitled to GSF refund for 2015, net of the agreed bonus, recognizing this amount as revenue for assets traded in PROINFA and as a cost reducer for other assets in the regulated market.

With regard to plants in the Free Contracting Environment (ACL), the Company decided not to join the proposed renegotiation of hydrological risk (GSF), as established by Law 13,203/2015 and ANEEL Resolution 684/2015. The physical guarantee in the free market is 141.5 MWavg (equivalent to 60.1% of the SHPP portfolio in operation).

Biomass source

Biomass-fired energy generation is considered an attractive alternative for diversifying the energy matrix in place of fossil fuels such as oil and coal. In this category, most plants in Brazil use waste from industrial processing of sugarcane, particularly sugarcane bagasse, to generate energy.

Energy produced from this byproduct has been used as an input since the construction of the first sugar and ethanol plants, most of them located in the states of São Paulo, Goiás, Minas Gerais, Mato Grosso do Sul and Paraná, close to major urban energy consumption centers. At

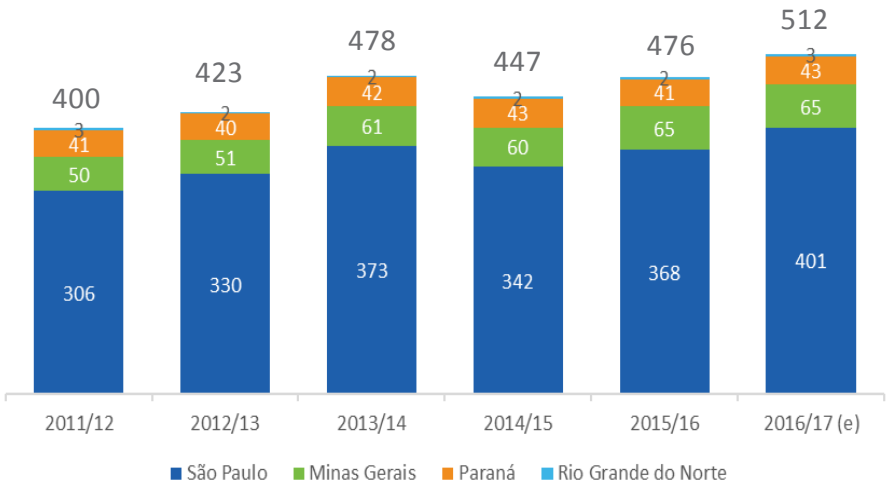
first, it was intended to meet the needs of these production units. However, the increased energy efficiency of the sector enabled the generation of surplus energy, which was sold, thereby increasing the importance of its use in the national energy matrix.

Currently, power generation plants using biomass account for 14.5 GW[6] of the country's installed capacity. The 2024 Ten-Year Energy Plan (PDE)[7] projects growth of this source, which should reach installed capacity of 18 GW in December 2024, and indicates the tremendous potential for renovation and modernization of the facilities and the processes of several cogeneration plants, leading to higher efficiency and surplus generation.

Recognition of revenue from electricity generation projects using sugarcane biomass depends on the agreement and may be in accordance with a plant's effective generation or be seasonalized. Generation, in turn, mirrors the seasonal effect of harvest, which in the Southeast region, begins in April and ends in November. Meanwhile, in the Northeast region, the production cycle begins in August and ends in March the following year. Hence, these assets usually generate lower revenues in the first half of the year than in the second.

The following chart presents historical data on sugarcane harvest in the states where the Company operates:

Historical data on sugarcane harvest by state (millions of tons)



Source: National Supply Company (CONAB). Base date: December 2016.

Solar source

[6] BIG (ANEEL) – February 2017
[7] Ten-Year Energy Expansion Plan 2024 (MME)

Photovoltaic energy generation is the only method that directly transforms solar energy (radiation) into electricity. This direct conversion is the result of the effects generated by the contact with semiconductor materials such as silicon, generating the photovoltaic effect.

In its report “Analysis of Inclusion of Solar Generation in the Brazilian Energy Matrix" released in May 2012, the Energy Research Company (EPE) points out that despite natural fluctuations, such as long periods of rain that could produce temporary effects, variations between years are quite low (between 4% and 6% in arid regions and up to 10% in coastal or mountainous areas[8]). The EPE recently launched an updated study on the country's solar industry and revealed that this source has a potential of 30,000 GW in Brazil, more than 200 times higher than the current grid.

Solar energy currently accounts for very little in Brazil, at 23.0 MW[9] installed in the country. Nonetheless, the 2024 Ten-Year Energy Plan (PDE)[10] projects significant growth of this source, which should reach installed capacity of 7.0 GW in December 2024.

CPFL Renováveis was an early explorer of this source and has been operating a solar power plant – the Tanquinho plant in Campinas, São Paulo - since 2012. The plant has installed capacity of 1.1 MW, physical guarantee of 0.2 MWavg and its energy is sold through a contract in the Free Contracting Environment (ACL).

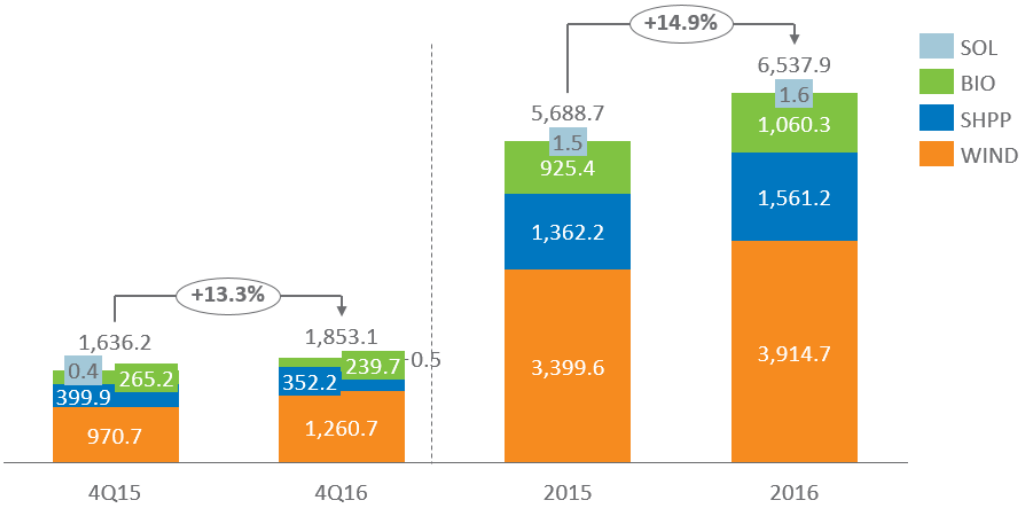
[8] Ten-Year Energy Expansion Plan 2024 (MME)
[9] BIG (ANEEL) – February 2017
[10] Ten-Year Energy Expansion Plan 2024 (MME)

Energy generation

In 4Q16, CPFL Renováveis generated 1,853.1 GWh of energy, an increase of 13.3% from 4Q15 (+216.9 GWh). In 2016, the Company generated 6,537.9 GWh of energy, an increase of 14.9% compared to 2015 (+849.2 GWh).

The following chart breaks down energy generation by source:

Energy generation by source (GWh)



CPFL Renováveis' asset portfolio is diversified in terms of both energy sources and geographic location. This is an important characteristic since it mitigates the effects of seasonality and weather, which vary according to the renewable source and the location of each asset. A detailed description of the operating portfolio is available in the annex - Assets in the Portfolio.

WIND

In 4Q16, the volume of energy generated by wind farms increased 29.9% (290.0 GWh) compared to 4Q15. This increase is mainly explained by the following factors:

(i) Commercial startup of the Campo dos Ventos and São Benedito wind complexes gradually since May 2016 and completed in December 2016; and

(ii) Higher frequent winds in the states of Ceará, Rio Grande do Norte and Rio Grande do Sul.

In 2016, energy generation at the wind farms increased 15.2% (+515.1 GWh) from 2015, virtually due to the factors that affected the quarter.

Efficiency rates in the last 12, 24 and 36 months were 90.6%, 89.8% and 99.7%, respectively. In the last 12 and 24 months, the efficiency rate was mainly affected by the scenario of lower-than-expected wind speed, as a result of the El Niño phenomenon in the state of Rio Grande do Norte, negatively affecting generation at the Santa Clara, Morro dos Ventos and Eurus wind complexes, and the Campo dos Ventos II wind farm. In addition, the Atlântica wind farm complex had lower

availability due to machine repairs that needed to be performed. Note that P50 is a long-term measure and deviations in the short term are normal.

Capacity factor and efficiency rate of wind farms in the last 12 months:

Wind farm	State	Certified Capacity Factor[9]	Actual capacity factor last 12 months	Efficiency rate
SIIF wind complex [(1)]	CE	36.7%	34.6%	94.3%
Bons Ventos wind complex [(2)]	CE	41.1%	39.0%	94.8%
Rosa dos Ventos wind complex [(3)]	CE	46.9%	43.2%	92.2%
Santa Clara wind complex [(4)]	RN	43.0%	36.7%	85.5%
Morro dos Ventos wind complex [(5)]	RN	46.9%	40.3%	86.1%
Atlântica wind complex [(6)]	RS	43.4%	37.8%	87.2%
Macacos I wind complex [(7)]	RN	47.6%	46.5%	97.8%
Campo dos Ventos II	RN	49.6%	42.6%	86.0%
Eurus wind complex [(8)]	RN	49.3%	44.2%	89.7%
Morro dos Ventos II	RN	51.4%	50.2%	97.8%
Total		**43.2%**	**39.1%**	**90.6%**

Capacity factor and efficiency rate of wind farms in the last 24 months:

Wind farm	State	Certified Capacity Factor[9]	Actual capacity factor last 24 months	Efficiency rate
SIIF wind complex [(1)]	CE	36.7%	36.6%	99.8%
Bons Ventos wind complex [(2)]	CE	41.1%	40.2%	97.7%
Rosa dos Ventos wind complex [(3)]	CE	46.9%	46.0%	98.0%
Santa Clara wind complex [(4)]	RN	43.0%	34.8%	81.0%
Morro dos Ventos wind complex [(5)]	RN	46.9%	38.6%	82.3%
Atlântica wind complex [(6)]	RS	43.4%	36.9%	85.1%
Eurus wind complex [(8)]	RN	49.3%	41.9%	85.1%
Campo dos Ventos II	RN	49.6%	40.4%	81.7%
Total		**42.1%**	**38.4%**	**89.8%**

Capacity factor and efficiency rate of wind farms in the last 36 months:

Wind farm	State	Certified Capacity Factor[9]	Actual capacity factor last 36 months	Efficiency rate
SIIF wind complex (1)	CE	36.7%	37.0%	100.8%
Bons Ventos wind complex (2)	CE	41.1%	40.4%	98.3%
Rosa dos Ventos wind complex (3)	CE	46.9%	46.9%	100.1%
Total		**38.9%**	**38.8%**	**99.7%**

[1] The SIIF wind complex comprises the Paracuru, Foz do Rio Choró, Icaraizinho and Praia Formosa wind farms.
[2] The Bons Ventos wind complex comprises the Enacel, Bons Ventos, Taíba Albatroz and Canoa Quebrada wind farms.
[3] The Rosa dos Ventos wind complex comprises the Canoa Quebrada and Lagoa do Mato wind farms. Efficiency rate prior to March 2014 considers historic data provided by the former owner of the plants.
[4] The Santa Clara wind complex comprises the Santa Clara I, Santa Clara II, Santa Clara III, Santa Clara IV, Santa Clara V, Santa Clara VI and Eurus VI wind farms.
[5] The Morro dos Ventos wind complex comprises the Morro dos Ventos I, III, IV, VI and IX farms.
[6] The Atlântica wind complex comprises the Atlântica I, Atlântica II, Atlântica IV and Atlântica V wind farms.
[7] The Macacos I complex comprises the Macacos, Juremas, Pedra Preta and Costa Branca wind farms.
[8] The Eurus Complex comprises the Eurus I and Eurus II wind farms.
[9] The capacity factor considers losses in the basic network for P50, estimated at 2.5%.

HYDRO ENERGY (SHPP)

In 4Q16, energy generation at SHPPs decreased 11.9% (-47.7 GWh) compared to 4Q15. This decrease is explained by the lower volume generated at SHPPs located in the South, due to the lower affluence in 4Q16, partially offset by the higher generation at plants located in the Southeastern region and the startup of SHPP Mata Velha in 2Q16.

In 2016, there was an increase of 14.6% (199.0 GWh) compared to 2015. This increase is mainly due to the higher generation at plants in Southeastern Brazil in 2016 due to better affluence and the startup of SHPP Mata Velha. Total energy generated by plants in the MRE has, in recent years, been lower than their total physical guarantee, causing a deficit (GSF) which, depending on the volume contracted, results in an exposure in the spot market for such plants. The Company has no material effect for plants that sold energy in the regulated market, due to the renegotiation of hydrological risk (GSF). The effects at CPFL Renováveis are described in the "Net Revenue" and "Energy generation Costs" sections.

BIOMASS

Energy generation from biomass-fired thermal power plants decreased by 9.6% in 4Q16 (-25.5 GWh) compared to 4Q15. This decrease can be explained mainly by the higher generation at plants in 4Q15 as a result of the early conclusion of the crop, which did not happen again in 4Q16. This effect was partially offset by higher generation at Bio Pedra (+30.8 GWh) due to the normalization of its activities, which were partially suspended from May to November 2015.

In 2016, biomass generation increased 14.6% (+134.9 GWh) compared to 2015. This increase was mainly due to higher generation at Bio Pedra (+166.7 GWh) in 2016 and also by the extension of operations in some plants (Bio Ester, Bio Coopcana and Bio Baldin) due to the remaining crop of 2015, which was expected to end in December 2015 and lasted until January 2016. This effect was partially offset by lower generation at the other plants, due to the lower sugarcane crushing volume at the end of 2016, mainly at Bio Formosa and Bio Baldin, and also due to the fact that no additional biomass (wood chips) was acquired because the energy price in the spot market did not reach the same levels as in 2015.

Economic and financial performance

Income Statement

(R$ thousand)	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Net Revenue	501,857	437,427	14.7%	1,646,588	1,499,356	9.8%
Energy generation cost	(126,211)	(59,572)	111.9%	(460,709)	(406,980)	13.2%
Depreciation and amortization	(106,737)	(104,798)	1.9%	(395,372)	(379,989)	4.0%
Gross Profit	**268,909**	**273,057**	**-1.5%**	**790,507**	**712,387**	**11.0%**
General and administrative expenses	(106,144)	(5,808)	1,727.5%	(192,750)	(91,027)	111.8%
Amortization of the right to exploit	(38,460)	(37,798)	1.8%	(152,471)	(157,308)	-3.1%
Depreciation and amortization	(1,291)	(819)	57.6%	(5,326)	(3,280)	62.4%
Operating income	**123,014**	**228,632**	**-46.2%**	**439,960**	**460,772**	**-4.5%**
Financial income	(142,786)	(124,025)	15.1%	(537,356)	(460,268)	16.7%
Income tax and social contribution	(6,472)	(21,964)	-70.5%	(46,310)	(49,221)	-5.9%
Net income	**(26,245)**	**82,643**	**-131.8%**	**(143,706)**	**(48,717)**	**195.0%**
Ebitda	**269,502**	**372,047**	**-27.6%**	**993,129**	**1,001,350**	**-0.8%**
Ebitda margin	53.7%	85.1%	-31.4 p.p	60.3%	66.8%	-6.5 p.p
Adjusted Ebitda[1]	346,769	336,541	3.0%	1,084,542	1,074,912	0.9%
Adjusted EBITDA margin	69.1%	76.9%	-7.8 p.p	65.9%	71.7%	-5.8 p.p

(1) Excluding non-recurring items related to hydrological condition and material events in the Company's assets.

The change in net income between the quarters was mainly influenced by the increase in net revenue resulting from new wind power and SHPP capacities, the higher frequency of wind and the strategy of seasonalizing physical guarantee of SHPPs. This result was mainly impacted by non-recurring items in 4Q16, such as the write-off of wind and SHPPs projects and provision for write-off projects, and the increase in energy generation costs, which was primarily influenced by the increase in energy purchases.

The change in net income in 2016 compared to 2015 was influenced by higher net revenue, especially due to new capacities in operation, the higher energy generation costs resulting from portfolio growth, and the increase in general and administrative expenses, mainly caused by the write-off of wind and SHPP projects and the provision for write-off of projects in 4Q16.

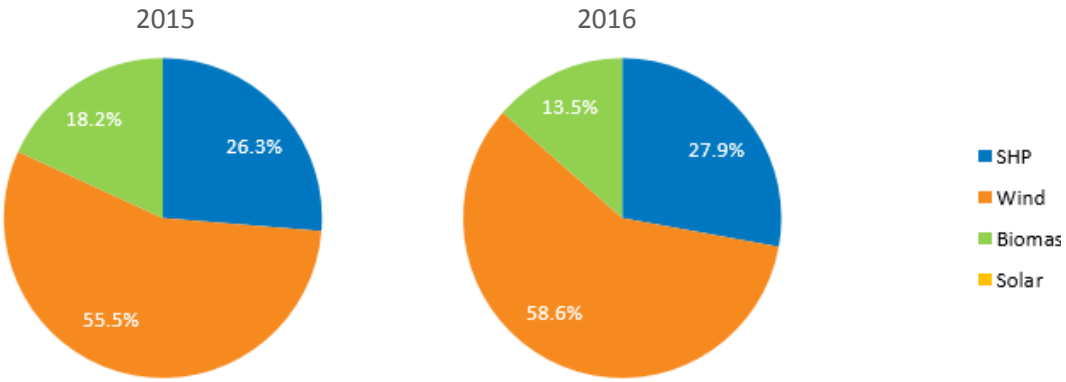
Net result was impacted by the increase in financial expenses due to higher interest rates and the startup of new farms.

Seasonal adjustment is the allocation of physical guarantee or energy sold between the months of the year. Moving average is the average energy volume in the last twelve months. Some energy agreements allow generators to make seasonal adjustments annually to meet the counterparty's needs, provided that they observe the moving average of the last twelve months to ensure that in any given month the last twelve months meet the annual volume sold. As such,

differences in the seasonal adjustment between the years could lead to differences in revenue recognition during the quarters, with no impact on the annual result, and to the need to purchase energy to meet the moving average in any specific period.

Net revenue

Net revenue by energy source[1]



[1] Solar power accounted for 0.02% in 2016 and 0.02% in 2015.

Net revenue amounted to R$501.9 million in 4Q16, increasing by 14.7% from 4Q15 (R$64.4 million). This increase is mainly explained by the following factors:

(i) Higher energy volume generated at wind farms due to higher wind speed and contractual price adjustment in 4Q16 (R$42.1 million);
(ii) Commercial startup and test generation at wind farms in the Campo dos Ventos and São Benedito wind complexes (R$ 33.6 million); and
(iii) Higher revenue from SHPPs due to the difference in the seasonalized physical guarantee and contractual price adjustment in 4Q16 (R$ 17.5 million). Note that last year the seasonal adjustment of the physical guarantee of SHPPs was more concentrated in 1Q15, whereas this year it was more linear throughout the months; and
(iv) Higher biomass revenue (+R$6.3 million) due to the normalization of operations at one of the damaged turbines at Bio Pedra and the reimbursement of generation at PLD in Bio Formosa, partially offset by lower generation in other plants.

The variation was also impacted by the following non-recurring items in 4Q15: recognition of loss of profits in the amount of R$25.6 million, related to the damage at Bio Pedra, and the renegotiation of hydrological risk (GSF) in plants that serve Proinfa contracts in the amount of R$15.6 million.

In 2016, net revenue reached R$1,646.6 million, up 9.8% from 2015 (+ R$147.2 million). This decrease is mainly explained by the following factors:

(v) Higher energy volume generated at wind farms due to higher wind speed and contractual price adjustment in 4Q16 (R$86.1 million);
(vi) Commercial startup and test generation at wind farms in the Campo dos Ventos and São Benedito wind complexes (R$ 55.1 million);

(vii) Higher SHPP revenue due to the contractual price adjustment (R$27.0 million) and lower GSF in the period (R$25.3 million);

(viii) Commercial startup of SHPP Mata Velha in April 2016 (R$14.6 million); and

(ix) Lower biomass revenue in 2016, because at Bio Alvorada and Bio Coopcana it was necessary to purchase energy to meet the moving average in 1Q15 (-R$48.2 million).

The variation was also impacted by renegotiation of the hydrological risk of plants that serve Proinfa contracts in the amount of R$15.6 million.

Net Revenue	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Wind	317,649	241,869	31.3%	964,837	823,596	17.1%
SHPP	127,360	103,831	22.7%	459,006	387,316	18.5%
Biomass	56,749	50,419	12.6%	222,404	198,736	11.9%
Solar	100	109	-7.5%	342	306	11.7%
GSF Ratio (SHPP)	-	15,600	NA	-	15,600	-NA
Loss of profit (Biomass)	-	25,600	NA	-	25,600	NA
Moving average (Biomass)	-	-	NA	-	48,200	NA
Total	**501,857**	**437,427**	**14.7%**	**1,646,588**	**1,499,356**	**9.8%**

As mentioned, there was a positive effect on revenue from the revision of agreements in the last 12 months based on IGP-M or IPCA. The average energy sales price on December 31, 2016 was R$245.6/MWh, an increase of 6.2% from December 31, 2015 (R$231.4/MWh).

Note that the recognition of revenue from SHPPs (excluding Proinfa agreements) is based on the seasonal adjustment curve of agreements and recognition of revenue from wind farms is based on the effective generation of these farms. In the case of biomass-powered plants, revenue recognition depends on the agreement and may be based on seasonal adjustment or effective generation. For more details, see the map of energy sale agreements in the annex.

Energy generation costs

(R$ thousand)	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Energy purchase cost	(54,400)	(7,192)	656.4%	(182,161)	(181,447)	0.4%
Amortization of the hydrological risk premium - GSF	(585)	-	N/A	(2,359)	-	N/A
Charges for the use of the system	(25,207)	(21,801)	15.6%	(89,964)	(78,645)	14.4%
PMSO[1]	(46,019)	(30,579)	50.5%	(186,225)	(146,888)	26.8%
Cost of energy generation	**(126,211)**	**(59,572)**	**111.8%**	**(460,709)**	**(406,980)**	**13.2%**
Depreciation and amortization	(106,737)	(104,798)	**1.9%**	(395,372)	(379,989)	4.0%
Total of energy generation costs + depreciation and amortization	**(232,948)**	**(164,370)**	**41.7%**	**(856,081)**	**(786,969)**	**8.8%**

[1] Personnel, material, outsourced services and other.

In 4Q16, energy generation costs, including depreciation and amortization, totaled R$232.9 million, up 41.7% from 4Q15 (-R$68.6 million). In 2016, energy generation costs totaled R$856.1 million, up 8.8% from 2015 (-R$69.1 million).

Energy purchase cost

Energy purchase cost amounted to R$54.4 million in 4Q16, an increase from 4Q15 (-R$47.2 million).

This increase is basically due to the following factors:

(i) Recognition of indemnity due in the amount of R$8.4 million, in accordance with contractual conditions, at the Campo dos Ventos and São Benedito Wind Power Complexes;

(ii) Recognition of R$5.7 million relating to annual and four-year revisions (ended December 2016) of the energy sale agreements for the Atlântica and Morro dos Ventos wind complexes. Note that generation was impacted by climatic factors such as El Niño, which led to lower wind speed in the region where these farms are located; and

(iii) Energy purchase to meet exposure in the spot market and hedge in the amount of R$17.7 million.

The variation was also impacted by the non-recurring hydrological risk renegotiation in 4Q15 for plants contracted in the regulated market, in the positive amount of R$10.6 million.

In 2016, energy purchase costs totaled R$182.2 million, remaining stable from 2015 (R$181.4 million). Energy purchase cost in 2016 was mainly impacted by the following factors:

(i) Recognition of indemnity due in the amount of R$56.2 million, in accordance with contractual conditions, at the Campo dos Ventos and São Benedito wind complexes;

(ii) Recognition of R$20.0 million relating to annual and four-year revisions (ended December 2016) of the energy sale agreements for the Santa Clara, Atlântica and Morro dos Ventos wind complexes. Note that generation was impacted by climate

events, such as El Niño, which led to lower wind speed in the region where these farms are located; and

(iii) Energy purchase to meet exposure in the spot market and hedge in the amount of R$25.5 million.

In 2015, the following factors occurred: (i) higher expenses with GSF application of R$78.2 million vs. R$10.1 million in 2016; (ii) Renegotiation of GSF for plants contracted in the regulated market, in the positive amount of R$10.6 million; and (iii) energy purchase to meet the moving average of the biomass plants Bio Coopcana and Bio Alvorada in the amount of R$45.8 million.

PMSO

Costs with personnel, materials, outsourced services and others reached R$46.0 million in 4Q16, up 50.5% (-R$15.4 million) from 4Q15. In 2016, PMSO costs totaled R$186.2 million, 26.8% higher than in 2015 (-R$39.3 million). Both variations are mainly explained by the following factors:

(i) Growth of the operating portfolio and higher generation in the period;

(ii) Price adjustments on agreements with O&M suppliers of wind farms, end of the partial grace period in the initial years of operation; and

(iii) Recognition of indemnity for supplier unavailability in the amount of R$6.0 million in 4Q15.

Depreciation and Amortization

Depreciation and amortization costs increased 1.9% in 4Q16 and 4.0% in 2016, basically due to the operational startup of assets over the last 12 months.

General and administrative expenses

(R$ thousand)	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Personnel expenses	(17,187)	(13,616)	26.2%	(64,510)	(52,941)	21.9%
Third parties services[1]	(11,429)	(13,821)	-17.3%	(39,136)	(47,018)	-16.8%
Others	(77,528)	21,629	-458.4%	(89,104)	8,932	-1097.6%
General and administrative expenses	**(106,144)**	**(5,808)**	**1727.8%**	**(192,750)**	**(91,027)**	**111.8%**
Depreciation and amortization	(1,291)	(819)	57.6%	(5,326)	(3,280)	62.4%
Amortization of exploitation rights	(38,460)	(37,798)	1.8%	(152,471)	(157,308)	-3.1%
Total general and administrative expenses + depreciation and amortization	**(145,895)**	**(44,425)**	**228.4%**	**(350,547)**	**(251,615)**	**39.3%**

[1] Considering expenses related to occupation, material and professional services

General and administrative expenses totaled R$145.9 million in 4Q16, increasing 228.4% (R$101.5 million) in comparison with 4Q15.

The main variations in the quarter are related to the write-off of the physical inventory of wind and SHPPs projects, as well as the provision for write-off of projects in the total amount of R$73.6 million (non-recurring item).

The variation was also impacted by the recognition of insurance against material damages related to the claim at Bio Pedra, in the amount of R$16.2 million in 4Q15.

In 2016, general and administrative expenses totaled R$350.5 million, up 39.3% (-R$98.9 million) from 2015. The main variations between the lines are justified by the write-off of the physical inventory of wind and SHPPs projects, as well as the provision for write-off of projects mentioned above. The variation was also impacted by the following non-recurring factors in 2015:

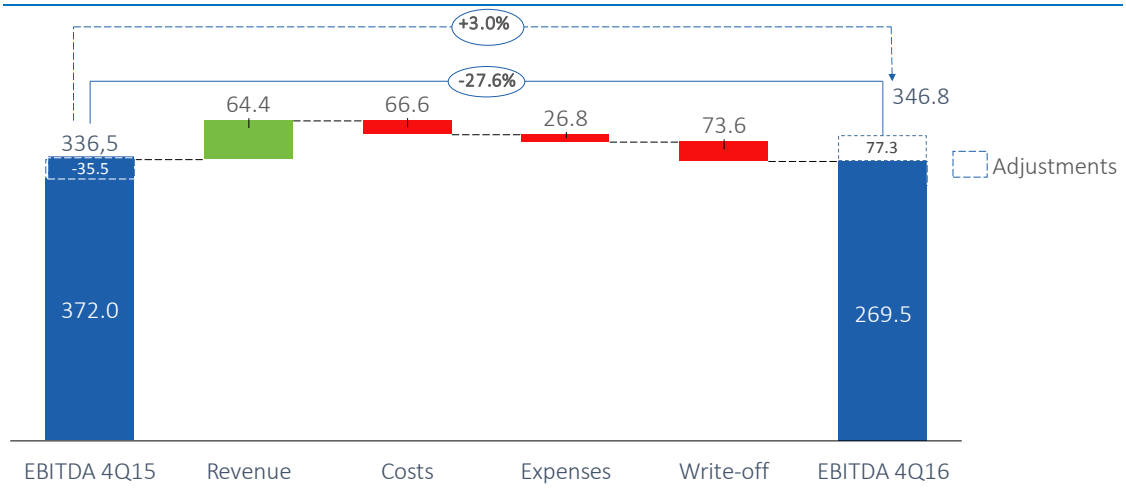
(i) Recognition of insurance for material damages and property, plant and equipment write-off related to the damaged turbine at Bio Pedra, creating a positive value of R$9.7 million in 2015; and

(ii) Reversal of the provision in the amount of R$3.4 million resulting from a discontinued SHPP project.

EBITDA

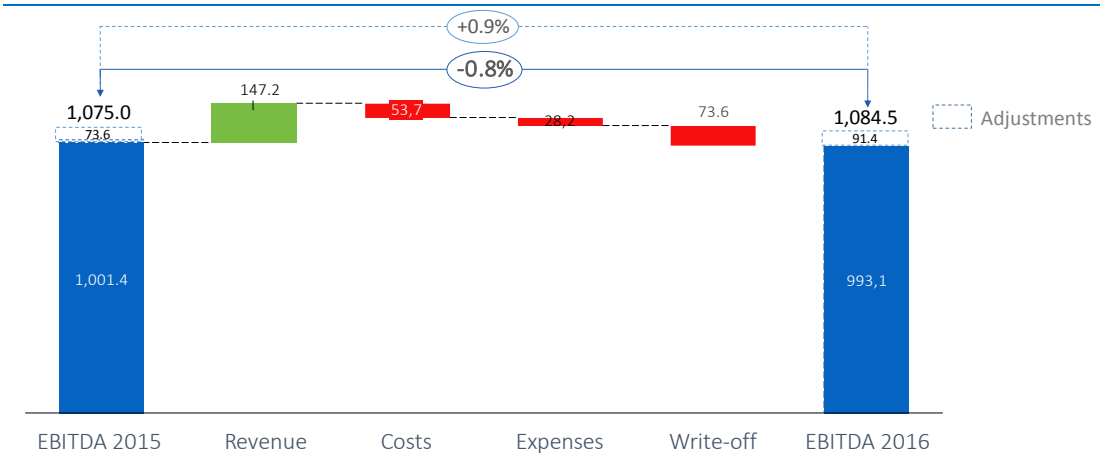
In 4Q16, EBITDA totaled R$269.5 million, a decrease of 27.6% from 4Q15 (R$102.5 million). EBITDA margin reached 53.7% in 4Q16, 31.4 p.p. lower than in 4Q15. This result was due to higher net revenue (14.7%), primarily resulting from the higher volume of energy generated in the wind power plants and the startup of new assets. The increase in net revenue was mainly offset by the write-off of the physical inventory of wind power projects and SHPPs, and the provision for write-off of projects in the amount of R$73.6 million in 4Q16. In addition to these effects, the decrease in EBITDA was also due to the increase of R$66.6 million in energy generation costs, mainly due to the increase in energy purchases.

EBITDA evolution – 4Q16 vs. 4Q15 (R$ million)



In 2016, EBITDA totaled R$993.1 million, remaining stable from 2015 (R$ 1,001.4 million). This result was mainly influenced by the increase of 9.8% in net revenue, which was partially offset by higher costs of energy generation due to portfolio expansion, as well as higher general and administrative expenses in the quarter.

EBITDA evolution – 2016 vs. 2015 (R$ million)



Adjustments to the Company's EBITDA consider non-recurring items related to hydrological conditions (GSF and SHPPs outside the MRE) and any relevant events involving the Company's assets.

Excluding non-recurring items, EBITDA would have been R$346.8 million in 4Q16, with margin of 69.1%, compared to adjusted EBITDA of R$336.5 million in 4Q15, with margin of 76.9%.

In 2016, excluding non-recurring items, EBITDA would have been R$1,084.5 million, with margin of 65.9%, compared to adjusted EBITDA of R$1,074.9 million in 2015, with margin of 71.7%. The adjustments related to non-recurring items that affected EBITDA are described in the following table:

EBITDA and Adjusted EBITDA

(R$ thousand)	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Ebitda	**269,502**	**372,047**	**-27.6%**	**993,129**	**1,001,350**	**-0.8%**
Adjusted items	**77,267**	**-35,506**	**-317.6%**	**91,413**	**73,562**	**24.3%**
Write-off and provision for write-off	73,567	-	N/A	73,567	-	N/A
Contingency	-	-	N/A	7,491	-	N/A
GSF - Revenue	-	1,396	N/A	330	25,575	N/A
GSF - Cost	403	3,679	N/A	10,025	78,168	N/A
GSF Renegotiation - Revenue	3,297	-15,640	N/A	-	-15,640	N/A
GSF Renegotiation - Cost	-	-10,610	N/A	-	-10,610	N/A
Others	-	-14,331	N/A	-	-3,931	N/A
Adjusted Ebitda	**346,769**	**336,541**	**3.0%**	**1,084,542**	**1,074,912**	**0.9%**

Financial result

(R$ thousand)	4Q16	4Q15	4Q16 vs 4Q15	2016	2015	2016 vs 2015
Financial Revenue	34,911	40,034	-12.8%	133,649	139,080	-3.9%
Financial Expenses	(177,698)	(164,059)	8.3%	(671,005)	(599,348)	12.0%
Financial Result	**(142,787)**	**(124,025)**	**15.1%**	**(537,356)**	**(460,268)**	**16.7%**

CPFL Renováveis posted net financial loss of R$142.8 million in 4Q16, an increase of 15.1% (-R$18.8 million) from 4Q15. In 2016, net financial loss stood at R$537.4 million, up 16.7% (-R$77.1 million) from 2015.

Financial income

On December 31, 2016, cash, cash equivalents and marketable securities of CPFL Renováveis totaled R$1,471.2 million, compared to R$1,268.5 million on December 31, 2015. This growth was mainly due to the following factors: (i) new funding in the period; (ii) receipt of an advance of future capital increase from a shareholder, which was partially offset (iii) by investments made in projects under construction; and (iv) by amortizations and cost of loans.

In 4Q16, financial income totaled R$34.9 million, down 12.8% from 4Q15 (-R$5.1 million), mainly due to an adjustment to amounts receivable from agreements with clients. In 2016, financial income totaled R$133.6 million, down 3.9% from 2015 (-R$5.4 million), mainly due to the lower average cash balance in the period.

Financial expenses

Financial expenses totaled R$177.7 million in 4Q16, increasing 8.3% (-R$13.6 million) compared to 4Q15. In 2016, financial expenses totaled R$671.0 million, an increase of 12% from 2015 (-R$71.7 million). The variations are explained by the following factors:

(i) Increase in the average CDI rate between the periods: 13.84% p.a. in 4Q16 vs. 13.18% p.a. in 4Q15 and 14.06% p.a. in 2016 vs. 13.36% p.a. in 2015;

(ii) Increase in the long-term interest rate (TJLP) between the periods: 7.5% p.a. in 4Q16 vs. 7.0% p.a. in 4Q15 and 7.5% p.a. in 2016 vs. 6.25% p.a. in 2015;

(iii) Addition of fresh capacity because the cost of financing is no longer capitalized after the commercial startup.

The accelerated growth of the Company's asset portfolio is naturally associated with long-term debt that increases financial expenses and affects net results as new capacity becomes operational or acquisitions are consolidated into CPFL Renováveis. On the other hand, portfolio growth also leads to an increase in the Company's operational cash generation and value.

Income and Social Contribution Taxes

The Company adopts the presumed income method to calculate income tax and social contribution of its operational subsidiaries, excluding the SPEs Bons Ventos, Formosa and Icaraizinho, which adopt the taxable income regime since they receive the tax benefit of profit

from exploration. In addition to those, the SPEs Bioenergia, Campo dos Ventos I, III, IV and V, Santo Dimas, São Benedito, Santa Mônica, Santa Úrsula and São Martinho adopt the taxable income regime due to the economic advantage compared to the expected disbursement if they adopted the presumed income method.

Income and social contribution taxes totaled R$6.5 million in 4Q16, compared to R$22.0 million in 4Q15. In 2016, these expenses reached R$46.3 million, compared to R$49.2 million in 2015. These changes occurred mainly due to the following factors: (i) increase in operating expenses at the SPEs under the presumed income method, which are subject to payment of income and social contribution taxes at a 3.08% rate; (ii) increase in financial revenue at the same SPEs, which are subject to payment of income and social contribution taxes at a 34% rate; offset by (iii) the positive impact on deferred income and social contribution taxes, due to asset write-offs in the amount of R$17.9 million.

Net Income (Loss)

In 4Q16, the Company recorded net loss of R$26.2 million, compared to net income of R$82.6 million in 4Q15. In 2016, CPFL Renováveis recorded net loss of R$143.7 million, compared to net loss of R$48.7 million in 2015. These variations are mainly due to the increase in general and administrative expenses caused by the write-off of the physical inventory of wind and SHPPs projects, as well as the provision for write-off of projects in 4Q16 and the higher net financial expense resulting from the current macroeconomic scenario and new funding in the last 12 months.

Investments

CPFL Renováveis invested R$127.5 million in 4Q16 and R$929.8 million in 2016. The investments were basically allocated to the following projects:

Project	Location	Commercial Startup	Capacity (MW)	Physical Guarantee (MWavg)
Campo dos Ventos wind complex[1]	RN	2Q16	115.5	64.6[3]
São Benedito wind complex[2]	RN	3Q16	115.5	60.6[3]
Mata Velha SHPP	MG	2Q16	24.0	13.1
Pedra Cheirosa wind complex[4]	CE	1S18	48.3	26.1
Boa Vista SHPP	MG	1Q20	26.5	14.8

[1] São Domingos, Ventos de São Martinho and Campo dos Ventos I, III and V.

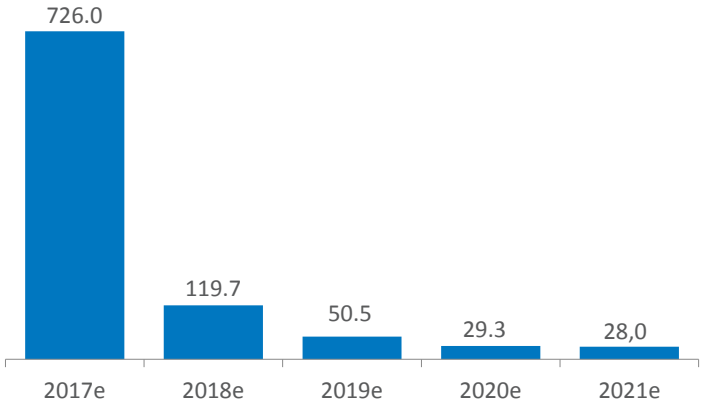
[2] Ventos de São Benedito, Santo Dimas, Santa Mônica and Santa Úrsula.

[3] Energy Contracted starting 2017. These wind farms will go operational gradually starting May 2016, to be concluded in December 2016.

[4] Pedra Cheirosa I and II.

Investments for the next five years amount to R$953.5 million (constant currency) and will expand the Company's capacity. The amounts per year are detailed below:

Projected investments for the next 5 years (R$ million)



Balance Sheet

	12/31/16	12/31/15
Assets		
Current and Long-term	***1,972,182***	***1,778,622***
Cash and cash equivalents	1,471,197	1,268,521
Trade Receivables (clients)	273,373	229,326
Recoverable taxes	70,499	75,461
Deferred taxes	260	1,422
Related parties	9,067	7,680
Other	147,786	196,212
Permanent	**7,466,547**	**6,888,333**
Intangible	**3,026,156**	**3,237,146**
Total assets	**12,464,885**	**11,904,102**

	12/31/16	12/31/15
Liabilities		
Current and Long-term	***8,027,079***	***7,600,305***
Providers	76,395	62,127
Tax obligations, Labor Obligations and Charges	59,334	56,575
Dividends and interest on shareholders' equity payable	9,045	5,588
Debentures, Loans and Financing	6,407,871	6,021,059
Other	1,474,434	1,454,956
Patriônio Líquido	***4,437,806***	***4,303,797***
Capital Stock	3,390,870	3,390,444
Advance for future capital increase	300,000	-
Capital Reserve	592,138	740,427
Profit Reserve	1,305	1,305
Valuation adjustment	40,275	43,887
Accrued profits / losses	-	-
Non-controlling shareholders	113,218	127,734
Total liabilities and Equity	**12,464,885**	**11,904,102**

Main variations in assets

The Company's assets (current and long-term) ended 4Q16 at R$ 2.0 billion, down 10.9% (R$193.6 million) from December 31, 2015.

Cash, cash equivalents, financial investments, marketable securities and restricted financial investments closed 4Q16 at R$1.5 billion, up 16.0% from December 31, 2015. This increase was due to: (i) new funding in the period; (ii) receipt of an advance of future capital increase from a shareholder in the amount of R$300.0 million, which was partially offset (iii) by investments made in projects under construction; and (iv) by amortizations and cost of loans.

The trade accounts receivable line increased by 19.2% from the close of 2015, mainly due to the commercial startup of some assets and better generation at wind power plants.

The change in property, plant and equipment (8.4%) was mainly due to the progress of works at projects under construction: wind power complexes Campo dos Ventos and São Benedito, Pedra Cheirosa and SHPP Boa Vista II, partially offset by depreciation of plants in operation.

Main variations in liabilities

Current and non-current liabilities ended 4Q16 at R$8.0 billion, 5.6% (R$426.8 million) higher than the balance on December 31, 2015, mainly influenced by the 4.0% increase in loans, financing and debentures, as a result of new funding in the period.

Shareholders' equity ended 4Q16 at R$4.4 billion, up 3.1% or R$134.0 million from December 31, 2015.

Debt

The Company ended 4Q16 with total debt of R$6,407.9 million, an increase of 6.4% from 4Q15 (R$6,021.1 million). Considering bridge loans (which will be settled using long-term debt), the Company's debt has an average term of 5.4 years and an average nominal cost of 11.38% p.a. (88.34% of CDI on December 31, 2016).

The funding transactions in the last 12 months were mostly aimed at strengthening the Company's cash position and financing investments required for the construction of projects. As such, in the last 12 months the Company raised funds totaling R$1,070.2 million, with the main transactions being:

(i) R$130.0 million from the issue of redeemable preferred shares of SHPPs Alto Irani and Plano Alto, issued to Banco Safra at 105% of the CDI rate p.a.;

(ii) R$100.0 million from the 1st issue of debentures of the Pedra Cheirosa I and II wind complex, issued to Banco Itaú at CDI + 2.85% p.a.;

(iii) R$50.0 million from the 1st issue of debentures of the Boa Vista II SHPP, issued to Banco Itaú at CDI + 2.85% p.a.;

(iv) R$67.6 million from the long-term financing for Mata Velha SHPP contracted from BNDES at TJLP + 2.02% p.a.;

(v) R$38.9 million from the long-term financing for the Atlântica wind complex contracted from BNDES at TJLP + 2.18% p.a.;

(vi) R$219.0 million from the long-term financing for the ACL wind complex contracted from BNDES at TJLP + 2.75% p.a.;

(vii) R$44.0 million from the short-term financing for CPFL Renováveis contracted from Banco BBM at CDI + 3.40% p.a.;

(viii) R$44.0 million from the short-term financing for CPFL Renováveis contracted from Banco ABC at CDI + 3.80% p.a.;

(ix) R$70.0 million from the issue of redeemable preferred shares of Cia. Hidroelétrica Figueirópolis, issued to Banco Safra at 105% of the CDI rate p.a.;

(x) R$100.0 million from the issue of promissory notes of CPFL Renováveis with Banco ABC at CDI + 3.80% p.a.;

(xi) R$200.0 million related to the 4th issue of debentures of CPFL Renováveis issued to Banco Santander at a cost of 126% of the CDI p.a.; and

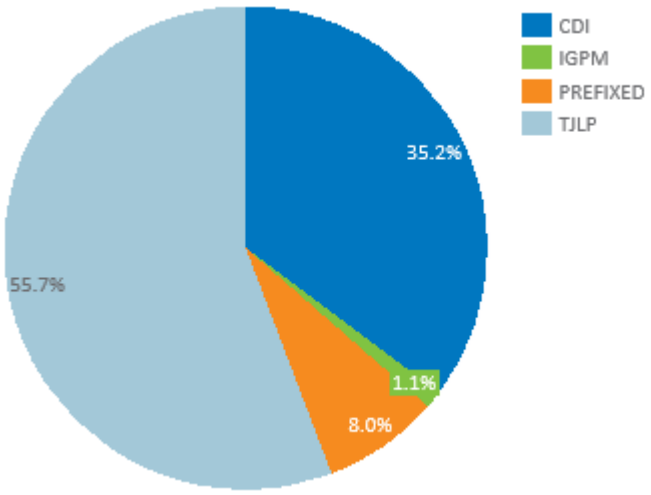
(xii) R$6,7 million from the long-term financing for DESA Morro dos Ventos II contracted from BNDES at TJLP + 2.18% p.a.;

The main amortizations made in the last twelve months are:

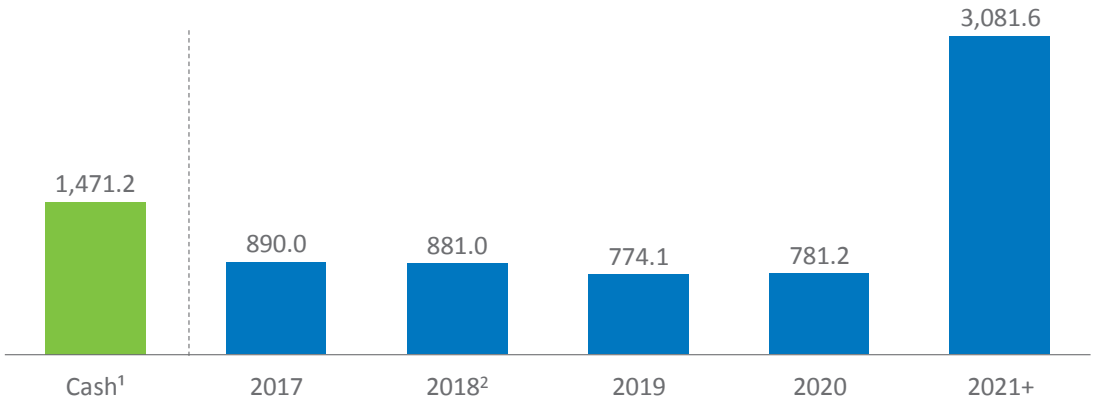
(i) R$277.0 million related to the amortization of the 1st issue of the debentures of Turbine 16;
(ii) R$43.0 million related to the amortization of the 1st issue of the debentures of CPFL Renováveis;
(iii) R$42.0 million related to the amortization of the 1st issue of the debentures of Campo dos Ventos V;
(iv) R$30.8 million related to the amortization of the 1st issue of the debentures of Santa Úrsula;
(v) R$40.5 million related to the amortization of the 1st issue of the debentures of SIIF complex;
(vi) R$17.5 million related to the amortization of the 1st issue of the debentures of Dobrevê;
(vii) R$8.7 million related to the amortization of the 1st issue of the debentures of SHPP Holding 2; and
(viii) R$387.5 million related to the amortization of other loans.

Consolidated net debt totaled R$4,936.7 million in 4Q16, an increase of 3.9% compared to 2015, mainly reflecting the funding in the period.

Debt by index – December 2016



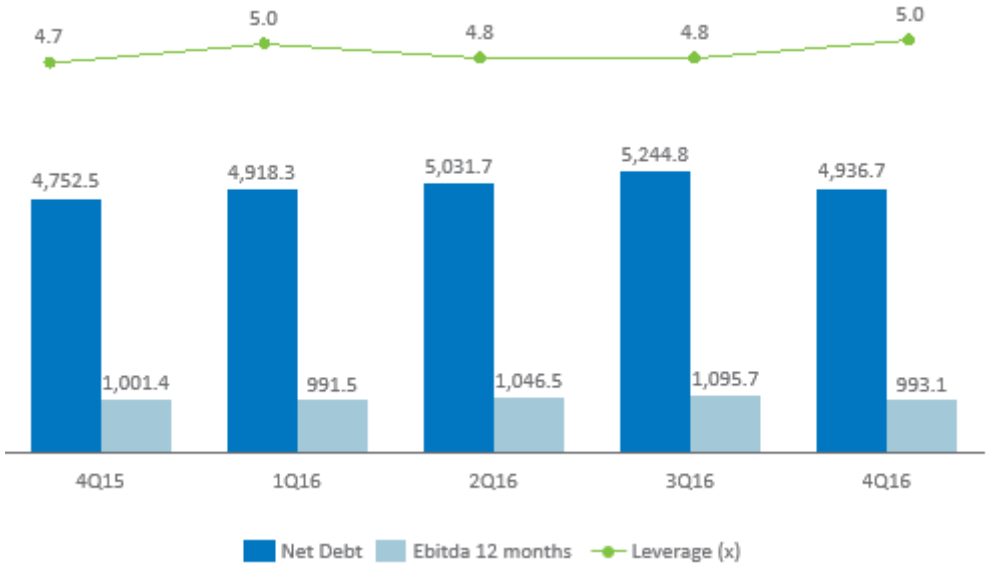
Debt amortization schedule (R$ million) – December 2016



[1] Cash balance considers the reserve account (restricted investments) of R$476.7 million in 4Q16 (R$373.4 million in 4Q15).
[2] Considers financial charges in the amount of R$29.2 million.

The Company, in accordance with the nature of its business, has a portfolio of plants under construction or that recently started operating. As such, for these assets debt is already included in the balance sheet, without matching EBITDA.

Net Debt /EBITDA (R$ million)[1]

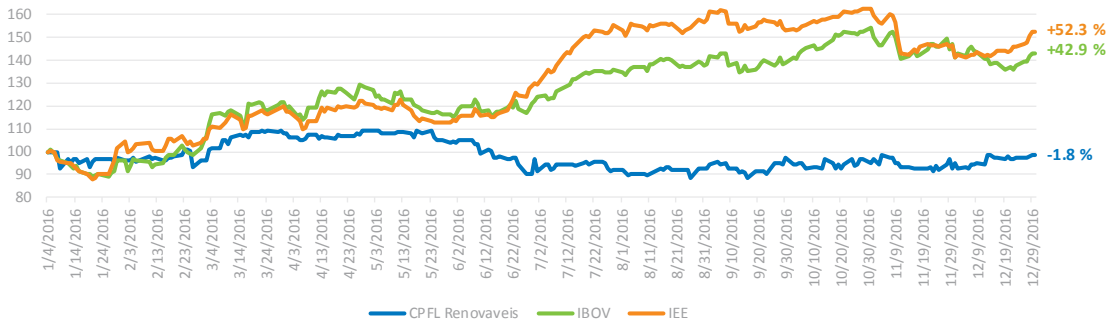


[1] Cash balance considers the reserve account (restricted investments) of R$476.7 million in 4Q16 (R$373.4 million in 4Q15).

Capital Markets

CPFL Renováveis stock (CPRE3) closed 4Q16 at R$11.69, down 1.8% from 4Q15. In the same period, the Bovespa Index (IBOV), increased by 42.9%, and the Electricity Index (IEE) rose 52.3%.

Performance of CPRE3 vs. IBOV and IEE: 12/31/2015 to 12/31/2016



Corporate Governance

CPFL Renováveis is listed on the Novo Mercado, the listing segment of the Brazilian Stock Exchange (BM&FBovespa) with the highest corporate governance standards, and its capital stock is composed exclusively of fully paid–up common shares.

The Company's corporate governance structure comprises a Board of Directors, supported by two Advisory Committees (Finance and Operations), the Board of Executive Officers and Internal Audit.

The executives are guided by four principles to ensure that the management of CPFL Renováveis is conducted ethically and with complete respect for government agencies and for local communities where the Company operates: transparency, fairness, accountability and corporate responsibility.

The Board of Directors is the collective decision-making body responsible for establishing the Company's policies and general business guidelines, including its long-term strategy, control and appraisal of the Company's performance. It is also responsible for supervising the management activities of the Board of Executive Officers, among other responsibilities given to it by Brazilian law and by the Company's Bylaws.

The Board of Directors is formed by nine directors, two of them independent, with a unified term of office of one year, with reelection allowed. Board meetings are ordinarily held every two months and extraordinarily when convened by its chairman or by any two directors. None of the directors is a member of the Board of Executive Officers of the Company.

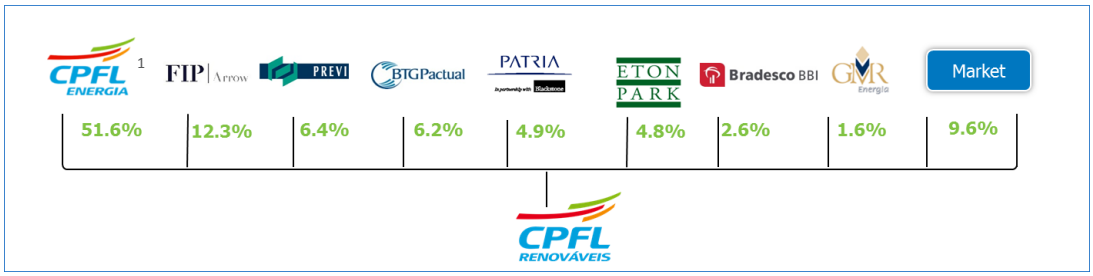
CPFL Renováveis also maintains a permanent Audit Board, which is formed by three members elected at the Annual Shareholders Meeting and who may be reelected.

The Board of Executive Officers is formed by four statutory officers who serve a two-year term, with reelection allowed. The Board of Executive Officers is responsible for representing the Company and for managing its business activities in accordance with the guidelines set by the Board of Directors.

The guidelines and documents on corporate governance are available at the Investor Relations website www.cpflrenovaveis.com.br/ri.

Ownership structure

The following chart shows the Company's current ownership structure:



[1] Through CPFL Geração

Contacts	Conference Call	CPRE3
Gustavo Sousa Chief Executive Officer, Interim Chief Financial and Investor Relations Officer **Flávia de Lima Carvalho** Head of nvestor Relations **Luciana Silvestre Fonseca** Investor Relations Specialist **Lais Helena Lobão** Investor Relations Analyst **Bruno Ferrete Gomes** Investor Relations Assistant E-mail: ri@cpflrenovaveis.com.br Phone: +55 11- 3157-9312 **Media Relations** RP1 Comunicação Empresarial E-mail: marianacesena@rp1.com.br Phone: +55 11-5501-4655	**Conference Call / Webcast** **Date:** March 23, 2017 **Time:** 9 a.m. (Brasília time) 8 a.m. (Eastern time) Conference call in Portuguese with simultaneous translation into English. Dial-in: Brazil: (+55)11 3193-1001 or (+55)11 2820-4001 USA: +1 888 700 0802 World: +1 786 924-6977 Code: CPFL Renovaveis	**Stock price on March 22, 2017:** R$12.12 **Market capitalization:** **Brazilian real:** R$ 6.13 billion **U.S. dollar:** USD: 1.97 billion

Glossary

A-3 (A minus three) - Refers to Auction for the Purchase of Energy from new projects with supply beginning three years ahead.

A-5 (A minus five) – Refers to Auction for the Purchase of Energy from new projects with supply beginning five years ahead.

ABEEólica – Brazilian Wind Power Association.

ANEEL (National Electricity Regulatory Agency) - An autonomous government agency that regulates and inspects the generation, transmission, distribution and trading of electricity in Brazil, striving for quality of the services provided, for equal treatment of users, and for controlling the reasonability of fees charged from consumers, preserving the economic and financial feasibility of the agents and the sector.

Installed capacity – The maximum electricity generation capacity of a plant.

Electric Energy Trading Chamber (CCEE) - A private non-profit organization. It functions under the authorization of the government and under the regulation and supervision of ANEEL with the purpose of enabling the purchase and sale of electricity among CCEE agents, restricted to the National Interconnected System (SIN).

EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) - The Company's financial results before deducting interest, taxes, depreciation and amortization expenses.

Affluent Natural Energy (ENA) - Measured in MW average, it is a way of presenting the status of a river's flow at any given time. It is usually calculated as a percentage to show whether it is above or below the historical long-term average (monthly historical average from 1931 to 2011).

Energy Research Company (EPE) - Federal public company linked to the Ministry of Mines and Energy. Responsible for the country's energy planning, covering generation, transmission, distribution, oil and gas.

Physical Guarantee – A portion of the SIN's physical guarantee allocated to each plant, which will be the contracting limit for generators in the system. Determination of physical guarantee and its revisions are proposed by the National Electricity System Operator (ONS) together with the Energy Research Company (EPE), with approval by the Ministry of Mines and Environment (MME).

GSF (Generation Scaling Factor) – The percentage of energy that all MRE participants are generating in relation to their total Physical Guarantee.

Electric Energy Index (IEE) – An industry index of BMF&BOVESPA that measures the performance of the electricity sector.

Energy Auctions – Bidding processes established by the MME and ANEEL for the purchase and sale of energy. They can be characterized as: LEN – New Energy Auction; LER – Energy Reserve Auction; LFA – Alternative Source Auctions.

Spot market – A market that accepts transactions in which delivery of the product occurs in the short term and payment is at sight. It is common to resort to this market to purchase electricity urgently, usually due to scarcity of the resource, which causes prices to go up.

Free Market - An energy contracting environment where the prices are freely negotiated between consumers and generation or trading agents.

Regulated Market - This market has specific regulations for aspects such as energy price, submarket for agreement registration and duration of supply, which are not subject to bilateral amendments by the agents. Although it is not contracted at auctions, the energy generated by the binational plant of Itaipu and the energy associated with the Incentive Program for Alternative Sources of Energy (PROINFA) qualify under the ACR, because their contracting is regulated under specific conditions established by ANEEL.

Energy Reallocation Mechanism (MRE) - It is aimed at fully utilizing the production capacity, resulting in a process of transfer of energy between generators.

National Electricity System Operator (ONS) - A private legal entity authorized to coordinate and control energy generation and transmission operations in the interconnected systems.

Power Purchase Agreement (PPA) - energy purchase agreement.

P50 - estimate that indicates there is a 50% chance that actual energy production in the long term will exceed this value. Estimated average energy production.

P90 - estimate that indicates there is a 90% chance that actual energy production in the long term will exceed this value. Conservative estimate of energy production.

Differences Settlement Price (PLD) – Short-term price at which the differences between contracted and generated energy are settled. Price volatility is directly related to the dynamic of affluents.

Small Hydropower Plants (SHPP) - Hydroelectric projects with capacity of 1,000 KW or more, or lower than 30,000 KW, with a total reservoir area of 3.0 km or less.

PROINFA - Incentive Program for Alternative Energy Sources.

SIN (National Interconnected System) - A large hydrothermal system with strong presence in hydroelectric plants, comprising generation units in the Southern, Southeastern, Midwestern, Northeastern and Northern regions of Brazil. Operation in the system is based on interdependence, integrating hydroelectric resources for energy generation and transmission to serve the market. Interconnection enables the exchange of energy between regions with different climate and hydrological variations, which tend to cause production surplus or shortfall. The system also envisages the reduction of operating costs and minimizing thermal production.

Energy Optimization Tariff (TEO) – Used for pricing MRE transactions, established by ANEEL.

Annex – Map of energy sale agreements

Contracting Environment	Revenue	Generation Adjustments	Comments
Wind			
PROINFA	Recognized according to generation.	Forseen inversely proportional adjustment in the energy fees according to the actual production. Registered in the Revenue.	Cash adjustment done in the following year.
ACR	Recognized according to generation.	To each contract are determined superior and inferior limits, inside a foru-year time range. The surplus or deficient generation, inside these limits, ate reimbursed at the end of the four years. Outside the limits, the reimbursement is done in the following year.	The compensation cash adjustment done in the following year, after annual accounting (out of limits) and after four-years (inside the limits).
ACL	Recognized according to generation.	Value of generation that are different from the comercialized, are liquidate at PLD or bilateral contracts.	Monthly cash impact, according to generation.
SHPP			
PROINFA	Recognized according to physical guarantee seasonality.	Adjustments related to generation deviation are recognized in revenue line, including GSF and secondary.	Cash adjustment done in the following year.
ACR	Recognized according to physical guarantee seasonality.	Adjustments related to generation deviation (TEO) are recognized in revenue line, including GSF and secondary (PLD).	Cash is completed after CCEE accounting (2 months).
ACL	Recognized according to physical guarantee seasonality.	Adjustments related to generation deviation (TEO) are recognized in revenue line, including GSF and secondary (PLD).	Cash is completed after CCEE accounting (2 months).
Biomass			
ACR	Recognized according to generation.	Adjustments related to generation deviation are recognized in revenue line.	Cash adjustment done in the following year, according to each contract mechanism.
ACL	Recognized according to generation or seasonality	Adjustments related to generation deviation are recognized in costs line (PLD or bilateral).	Cash is completed after CCEE accounting (2 months).

Annex – assets in operation

	Project	City	State	Installed Capacity (MW)	Physical guarantee (MWm)	Contracted Energy 2016* (MWm)	Price (R$/MWh) Dec/16	PPA
Wind								
Atlântica wind complex	Atlântica I	Palmares do Sul	RS	30.0	13.1	13.1	207.2	LFA 2010
	Atlântica II	Palmares do Sul	RS	30.0	12.9	12.9	207.2	LFA 2010
	Atlântica IV	Palmares do Sul	RS	30.0	13.0	13.0	207.2	LFA 2010
	Atlântica V	Palmares do Sul	RS	30.0	13.7	13.7	207.2	LFA 2010
SIIF wind complex	Foz do Rio Choró	Beberibe	CE	25.2	7.4	7.4	447.3	Proinfa
	Icaraizinho	Amontada	CE	54.6	22.1	21.4	386.4	Proinfa
	Paracuru	Paracuru	CE	25.2	12.6	11.7	380.8	Proinfa
	Praia Formosa	Camocim	CE	105.0	28.8	28.0	435.7	Proinfa
Santa Clara wind complex	Santa Clara I	Parazinho	RN	30.0	13.7	12.5	233.2	LER 2009
	Santa Clara II	Parazinho	RN	30.0	12.8	11.2	233.2	LER 2009
	Santa Clara III	Parazinho	RN	30.0	12.5	11.8	233.2	LER 2009
	Santa Clara IV	Parazinho	RN	30.0	12.3	10.9	233.2	LER 2009
	Santa Clara V	Parazinho	RN	30.0	12.4	11.2	233.2	LER 2009
	Santa Clara VI	Parazinho	RN	30.0	12.3	10.5	233.2	LER 2009
	EURUS VI	Parazinho	RN	8.0	3.2	2.6	233.2	LER 2009
Macacos I wind complex	Macacos	João Camara	RN	20.7	9.8	9.7	208.7	LFA 2010
	Juremas	João Camara	RN	16.1	7.6	7.5	208.7	LFA 2010
	Pedra Preta	João Camara	RN	20.7	10.3	10.1	200.1	LFA 2010
	Costa Branca	João Camara	RN	20.7	9.8	9.8	200.1	LFA 2010
Bons Ventos wind complex	Bons Ventos	Aracati	CE	50.0	16.4	15.9	430.1	Proinfa
	Taíba Albatroz	São Gonçalo do Amarante	CE	16.5	6.7	6.6	392.0	Proinfa
	Canoa Quebrada - BV	Aracati	CE	57.0	24.1	22.9	390.7	Proinfa
	Enacel	Aracati	CE	31.5	10.2	9.9	438.7	Proinfa
	Campo dos Ventos II	João Camara	RN	30.0	15.0	14.0	192.2	LER 2010
Rosa dos Ventos wind complex	Canoa Quebrada - RV	Aracati	CE	10.5	3.3	3.3	431.9	Proinfa
	Lagoa do Mato - RV	Aracati	CE	3.2	1.4	1.4	380.8	Proinfa
Morro dos Ventos wind complex	Morro dos Ventos I	João Camara	RN	28.8	13.6	12.7	234.8	LER 2009
	Morro dos Ventos III	João Camara	RN	28.8	13.9	12.7	234.8	LER 2009
	Morro dos Ventos IV	João Camara	RN	28.8	13.7	12.1	234.8	LER 2009
	Morro dos Ventos VI	João Camara	RN	28.8	13.1	11.2	234.8	LER 2009
	Morro dos Ventos IX	João Camara	RN	30.0	14.3	12.8	234.8	LER 2009
Eurus wind complex	Eurus I	João Câmara	RN	30.0	15.5	14.5	189.2	LER 2010
	Eurus III	João Câmara	RN	30.0	16.1	15.0	189.2	LER 2010
	Morro dos Ventos II	João Camara	RN	29.1	15.4	15.1	147.4	LEN 2011
Campo dos Ventos complex	Campo dos Ventos I	João Câmara	RN	25.2	13.6		169.3	ACL
	Campo dos Ventos III	João Camara	RN	25.2	13.4		169.3	ACL
	Campo dos Ventos V	Parazinho	RN	25.2	13.1	64.6	169.3	ACL
	São Domingos	São Miguel do Gostoso	RN	25.2	-		169.3	ACL
	Ventos de São Martinho	Touros	RN	14.7	-		169.3	ACL
São Benedito complex	Ventos de São Benedito	São Miguel do Gostoso	RN	29.4	-		169.3	ACL
	Ventos de Santo Dimas	São Miguel do Gostoso	RN	29.4	-		169.3	ACL
	Ventos de Santa Mônica	Touros	RN	29.4	-	60.6	169.3	ACL
	Ventos de Santa Úrsula	Touros	RN	27.3	-		169.3	ACL
	Subtotal Wind			**1,260.2**	**473.1**	**534.4**	**265.9**	

* Calculation of contracted energy in 2016 considered 8,784 hours as it is a leap year.

Project	City	State	Installed Capacity (MW)	Physical guarantee (MWm)	Contracted Energy 2016* (MWm)	Price (R$/MWh) Dec/16	PPA
			Biomass				
Alvorada	Araporã	MG	50.0	19.9	18.0	178.2	ACL
Baia Formosa	Baía Formosa	RN	40.0	5.5	11.0	258.3	LEN 2006
Bio Buriti	Buritizal	SP	50.0	18.7	21.0	224.1	ACL
Bio Energia	Pirassununga	SP	45.0	14.1	12.8	225.1	ACL
Bio Ipê	Nova Independência	SP	25.0	13.6	8.2	224.1	ACL
Bio Pedra	Serrana	SP	70.0	10.3	24.4	214.7	LER 2010
Coopcana	São Carlos do Ivaí	PR	50.0	18.0	18.0	178.2	ACL
Ester	Cosmópolis	SP	40.0	14.5	14.9	198.3	LFA 2007 / ACL
Subtotal Biomass			**370.0**	**114.6**	**128.4**	**206.6**	

* Calculation of contracted energy in 2016 considered 8,784 hours as it is a leap year.

Project	City	State	Installed Capacity (MW)	Physical guarantee (MWm)	Contracted Energy 2016* (MWm)	Price (R$/MWh) Dec/16	PPA
			SHPP				
Alto Irani	Arvoredo	SC	21.0	12.4	12.4	251.4	Proinfa
Americana	Americana	SP	30.0	5.9	5.9	237.9	ACL
Andorinhas	Bozano	RS	0.5	0.4	0.4	230.7	ACL
Arvoredo	Arvoredo	SC	13.0	7.4	7.0	237.1	LFA
Barra da Paciência	Gonzaga	MG	23.0	14.9	14.8	235.7	ACL
Buritis	Buritizal	SP	0.8	0.4	0.4	237.9	ACL
Capão Preto	São Carlos	SP	4.3	2.2	2.2	237.9	ACL
Chibarro	Araraquara	SP	2.6	1.5	1.5	237.9	ACL
Cocais Grande	Antonio Dias	MG	10.0	4.6	4.6	251.4	Proinfa
Corrente Grande	Açucena	MG	14.0	8.5	8.4	235.7	ACL
Diamante	Nortelândia	MT	4.2	1.6	1.6	214.2	ACL
Dourados	Nuporanga	SP	10.8	5.7	5.7	237.9	ACL
Eloy Chaves	Espirito Santo do Pinhal	SP	18.8	11.0	11.0	237.9	ACL
Esmeril	Patrocinio Paulista	SP	5.0	2.9	2.9	237.9	ACL
Figueirópolis	Indiavaí	MT	19.4	12.6	12.5	247.3	Proinfa
Gavião Peixoto	Gavião Peixoto	SP	4.8	3.6	3.6	237.9	ACL
Guaporé	Guaporé	RS	0.7	0.4	0.4	230.7	ACL
Jaguari	Pedreira	SP	11.8	4.5	4.5	237.9	ACL
Lençóis	Macatuba	SP	1.7	1.0	1.0	237.9	ACL
Ludesa	Ipuaçu	SC	30.0	21.2	20.8	239.8	Proinfa / ACL
Mata Velha	Unaí	MG	24.0	13.1	12.5	182.6	ACL
Monjolinho	São Carlos	SP	0.6	0.1	0.4	237.9	ACL
Ninho da Águia	Delfim Moreira	MG	10.0	6.5	4.2	235.7	ACL
Novo Horizonte	Campina Grande do Sul	PR	23.0	10.4	10.2	165.1	ACL
Paiol	Frei Inocêncio	MG	20.0	10.5	10.9	235.6	ACL
Pinhal	Espirito Santo do Pinhal	SP	6.8	3.7	3.7	237.9	ACL
Pirapó	Roque Gonzales	RS	0.8	0.6	0.6	230.7	ACL
Plano Alto	Xavantina	SC	16.0	9.3	9.3	251.4	Proinfa
Saltinho	Muitos Capões	RS	0.8	0.7	0.7	230.7	ACL
Salto Góes	Tangará	SC	20.0	11.1	11.1	223.6	LFA
Salto Grande	Campinas	SP	4.6	2.6	2.6	237.9	ACL
Santa Luzia	São Domingos	SC	28.5	18.4	18.0	244.0	LFA 2007 / ACL
Santana	São Carlos	SP	4.3	2.6	2.6	237.9	ACL
São Gonçalo	São Gonçalo do Rio Abaixo	MG	11.0	7.2	6.4	235.7	ACL
São Joaquim	Guará	SP	8.1	5.1	5.1	237.9	ACL
Socorro	Socorro	SP	1.0	0.3	0.3	237.9	ACL
Três Saltos	Torrinha	SP	0.6	0.4	0.4	237.9	ACL
Varginha	Chalé	MG	9.0	5.4	4.0	237.1	LFA 2007
Várzea Alegre	Chalé	MG	7.5	4.9	4.8	235.7	ACL
Subtotal SHPP			**423.0**	**235.5**	**229.4**	**232.8**	

* Calculation of contracted energy in 2016 considered 8,784 hours as it is a leap year.

Project	City	State	Installed Capacity (MW)	Physical guarantee (MWm)	Contracted Energy 2016* (MWm)	Price (R$/MWh) Dec/16	PPA
			Solar				
Tanquinho	Campinas	SP	1.1	0.2	0.2	215.4	ACL
Subtotal Solar			**1.1**	**0.2**	**0.2**	**215.4**	
TOTAL			**2,054.3**	**823.4**		**248.2**	

* Calculation of contracted energy in 2016 considered 8,784 hours as it is a leap year.

Annex – assets under construction

	Projects	State	Installed Capacity (MW)	Physical guarantee (MWm)	Contracted Energy (MWm)	Price (R$/MWh) Dec/16	PPA
Pedra Cheirosa wind complex	Pedra Cheirosa I	CE	25.2	13.6	13.6	146.9	18º LEN 2014 (A-5)
	Pedra Cheirosa II	CE	23.1	12.5	12.5	147.8	18º LEN 2014 (A-5)
	Subtotal Wind		**48.3**	**26.10**	**26.1**	**147.3**	
			SHPP				
	Boa Vista II	MG	26.5	14.4	14.0	228.7	21º LEN 2015 (A-5)
	Subtotal SHPP		**26.5**	**14.4**	**14.0**	**228.7**	
	TOTAL		**74.8**	**40.5**	**40.1**	**176.2**	