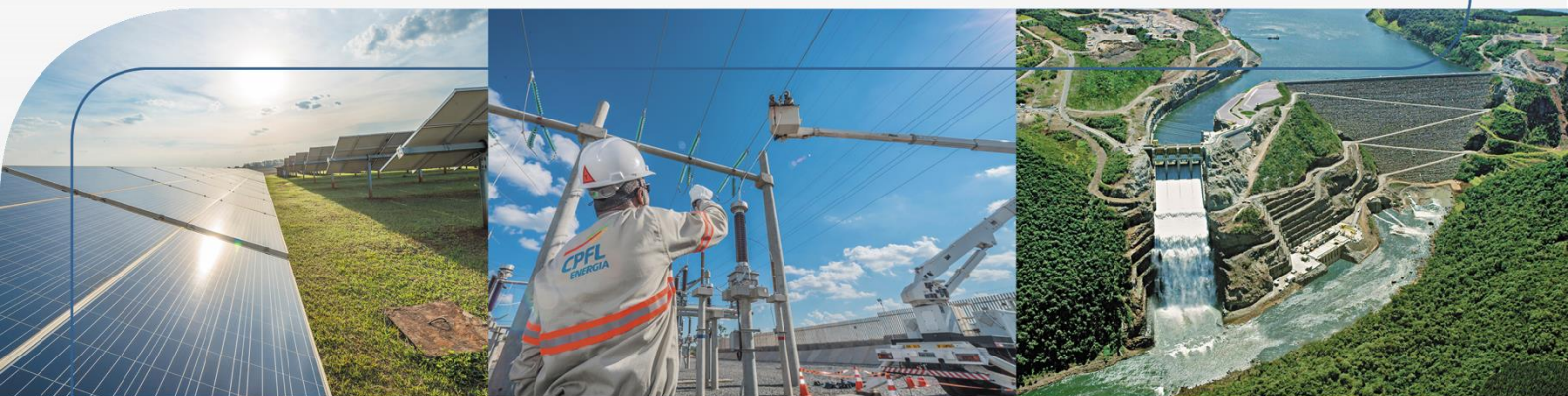


2Q20 CPFL Results



- ✓ Reduction of **11.1% in load in the concession area**
- ✓ **EBITDA** of **R\$ 1,208 million**, reduction of **19.7%**
- ✓ **Net Income** of **R\$ 462 million**, reduction of **19.4%**
- ✓ Net Debt of **R\$ 15.0 billion** and leverage of **2.29x Net Debt/EBITDA**
- ✓ **Debts prepayment (CPFL Renováveis)**: loan with SGBP for debts prepayment
- ✓ Investments of **R\$ 648 million**, growth of **24.3%**
- ✓ Declaration of **dividends**, in the amount of **R\$ 2,075 million**, R\$ 1.80 per share
- ✓ **RGE tariff adjustment**, in Jun-20: **+6.09%** for the consumers and **+6.19%** in Parcel B
- ✓ Fundraising by **COVID Account** (ANEEL Resolution 885/2020 and Decree 10,350/2020), in the global amount of **R\$ 1,382 million**
- ✓ **CPFL Renováveis' Delisting Tender Offer**: auction occurred on Jun 10th; squeeze out approved on Jul 7th
- ✓ Entry of **CPFL Energia's** shares in the **MSCI** portfolio, in Jun-20
- ✓ **Re-IPO 1 Year Celebration**, on June 12th
- ✓ **Donations to fight COVID-19 (R\$ 6 million)**: R\$ 5 million to 20 hospitals throughout the concession area and R\$ 1 million to the program "Salvando Vidas" of BNDES



Video Conference with Simultaneous Translation into English (Bilingual Q&A)

Friday, August 14, 2020 – 11:00 a.m. (BRT), 10:00 a.m. (ET)

Zoom Platform - Link to access:

https://us02web.zoom.us/webinar/register/WN_oqrVTGGtTbO5pwOkuFRPkW

Investor Relations

(+55) 19 3756.8458/8887

ri@cpfl.com.br
www.cpfl.com.br/ir

MESSAGE FROM THE CEO

The second quarter of 2020 was marked by the novel coronavirus pandemic, which brought many challenges for our lives, for the Company and for Brazil's economy. Soon after the pandemic was declared, we acted rapidly to prioritize preventative measures to protect the health and safety of our employees, to ensure the financial health of our company and to guarantee the continuity of service with the same excellence as always. I can say with great satisfaction that I am very proud of our team, whose efforts, commitment and professional resilience enabled us to overcome, so far, the enormous challenges.

I also want to mention the intense and challenging efforts that we have faced in recent months in the interactions between Brazilian Power Regulatory Agency (Aneel), the Ministry of Mining & Energy (MME) and agents for the creation of the COVID Account, which is a bank loan that advances funds to distributors while mitigating tariff impacts for consumers. The solution proved critical for ensuring the liquidity of the power industry by attenuating the pressures caused by the reduction in load and by the effects from the upturn in delinquency on the cash of distributors in Brazil.

Turning to the second-quarter results, on the operational front, energy sales in the concession area of our Distributors came to 14,955 GWh, representing a decline of 10.1%. The residential segment registered growth of 1.0%, basically due to the social distancing imposed by COVID-19 and by the new trend of working from home. Temperatures during the period were milder than in the same period of 2019, which had a negative impact on this consumption class. In the industrial segment, consumption fell by 17.7%, basically due to the pandemic, which drastically affected industrial production in Brazil. We also observed the migration of two large clients to the basic network. In the commercial segment, consumption declined by 19.1%, mainly reflecting the mandatory closure of establishments due to social distancing.

In terms of financial performance, the declines in EBITDA of 19.7% and in Net Income of 19.4%, in relation to the same quarter of 2019 reflect the impacts of pandemic in the group's results, in addition to the deflation of IPCA in the period. Indebtedness remained at 2.29x, lower than the contractual limits of 3.75x, and we managed to preserve group's liquidity by raising funds at very attractive rates.

Even in this challenging period, we continued working on our initiatives to create value and on our investment plan. In 2Q20, we invested R\$ 648 million, 24.3% more than in 2019.

We also approved the distribution of dividends for fiscal year 2019, with a payout ratio of 80%, which will be paid by the end of the year. We reinforce that we will

continue to balance growth and yield and that our dividend payment policy will remain a minimum payout of 50%.

I also want to highlight that this quarter we commemorated one year since our Re-IPO. Over these last 12 months we have returned to important stock indexes in the local and global markets, including the IBRX-100, Ibovespa, MSCI and FTSE. Today our stock has average daily trading volume on the B3 of over R\$100 million.

On the social front, the highlights were the donations made by the CPFL Institute, which include R\$1 million to the Saving Lives Program of the Brazilian Development Bank (BNDES), which benefitted over one thousand public hospitals nationwide. We also donated R\$5 million, through the program CPFL in Hospitals, to 20 hospitals in the entire concession area of the group's four distributors.

Lastly, I want to say that I remain optimistic on the advances in Brazil's power industry even during these difficult times, and that we continue to work intensely on our plan, ensuring the sustainability of the Company's business, preserving the health and safety of our employees and the quality and excellence of our services. Let's continue to move forward!

Gustavo Estrella

CEO, CPFL Energia

Indicators (R\$ Million)	2Q20	2Q19	Var.	1H20	1H19	Var.
Load in the Concession Area - GWh	14,692	16,529	-11.1%	32,732	34,600	-5.4%
Sales within the Concession Area - GWh	14,955	16,626	-10.1%	32,396	34,357	-5.7%
Captive Market	10,019	11,021	-9.1%	21,920	23,429	-6.4%
Free Client	4,935	5,604	-11.9%	10,476	10,928	-4.1%
Gross Operating Revenue	9,847	10,804	-8.9%	20,725	21,592	-4.0%
Net Operating Revenue	6,562	7,036	-6.7%	13,844	14,164	-2.3%
EBITDA ⁽¹⁾	1,208	1,505	-19.7%	2,904	3,036	-4.3%
Distribution	622	873	-28.7%	1,759	1,853	-5.1%
Conventional generation	327	334	-1.9%	651	638	2.0%
Renewable generation	203	251	-19.2%	425	443	-4.0%
Commercialization, Services & Others	56	46	20.0%	69	102	-32.0%
Net Income	462	574	-19.4%	1,366	1,144	19.4%
Net Debt ⁽²⁾	15,008	10,964	36.9%	15,008	10,964	36.9%
Net Debt / EBITDA ⁽²⁾	2.29x	1.93x	18.7%	2.29x	1.93x	18.7%
Investments ⁽³⁾	648	521	24.3%	1,164	966	20.5%

Notes:

(1) EBITDA is calculated from the sum of net income, taxes, financial result, depreciation/amortization, as CVM Instruction no. 527/12. See the calculation in item 3.1 of this report;

(2) In covenants criteria, which considers CPFL Energia stake in each project;

(3) Does not include special obligations.

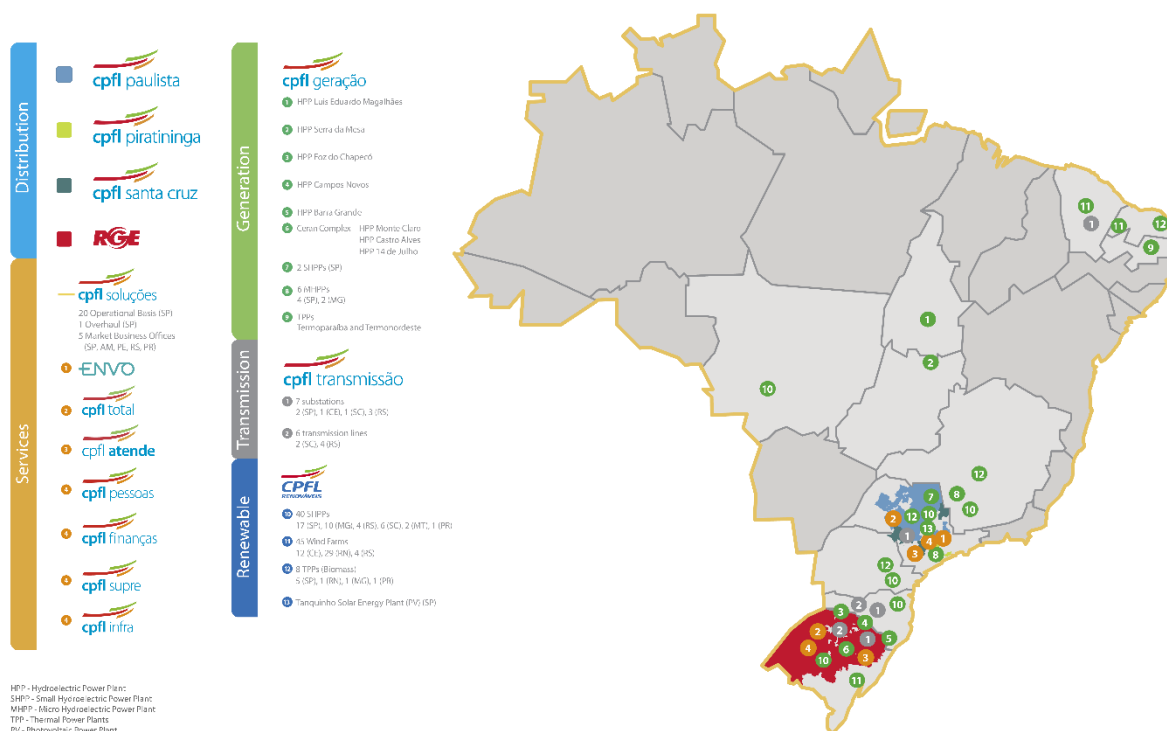
CONTENTS

1) COMPANY PROFILE AND CORPORATE STRUCTURE	4
2) OPERATIONAL PERFORMANCE	6
2.1) Distribution	6
2.1.1) Load net of losses in the concession area	6
2.1.2) Sales within the Distributors' Concession Area.....	7
2.1.3) Losses.....	8
2.1.4) SAIDI and SAIFI	9
2.1.5) Delinquency.....	10
2.2) Conventional and Renewable Generation	10
2.2.1) Installed Capacity.....	10
2.2.2) Operational and under construction Projects.....	11
2.3) Commercialization.....	12
2.4) Transmission	12
3) CPFL ENERGIA ECONOMIC-FINANCIAL PERFORMANCE	13
3.1) Economic-Financial Performance	13
3.2) Indebtedness	19
3.2.1) Debt (IFRS)	19
3.2.2) Debt in Financial Covenants Criteria.....	23
3.3) Investments	24
3.3.1) Actual Investments.....	24
3.3.2) Investment Guidance.....	25
4) STOCK MARKETS.....	25
4.1) Stock Performance	25
4.2) Daily Average Volume	26
5) PERFORMANCE OF BUSINESS SEGMENTS.....	26
5.1) Distribution Segment.....	26
5.1.1) Economic-Financial Performance.....	26
5.1.2) Tariff Events	33
5.2) Commercialization and Services Segments	34
5.3) Conventional Generation Segment.....	35
5.4) CPFL Renováveis.....	40
6) ATTACHMENTS.....	44
6.1) Balance Sheet - Assets – CPFL Energia	44
6.2) Balance Sheet - Liabilities – CPFL Energia.....	45
6.3) Income Statement – CPFL Energia.....	46
6.4) Income Statement by business segment	47
6.5) Cash Flow – CPFL Energia.....	48
6.6) Income Statement – Conventional Generation Segment	49
6.7) Income Statement – CPFL Renováveis	50
6.8) Income Statement – Distribution Segment	51
6.9) Economic-Financial performance by Distributor.....	52
6.10) Sales within the Concession Area by Distributor	53
6.11) Sales to the Captive Market by Distributor	54
6.12) Information on Interest in Companies.....	55
6.13) Reconciliation of Net Debt/EBITDA Pro Forma ratio of CPFL Energia for purposes of financial covenants calculation	58

1) COMPANY PROFILE AND CORPORATE STRUCTURE

Company Operation

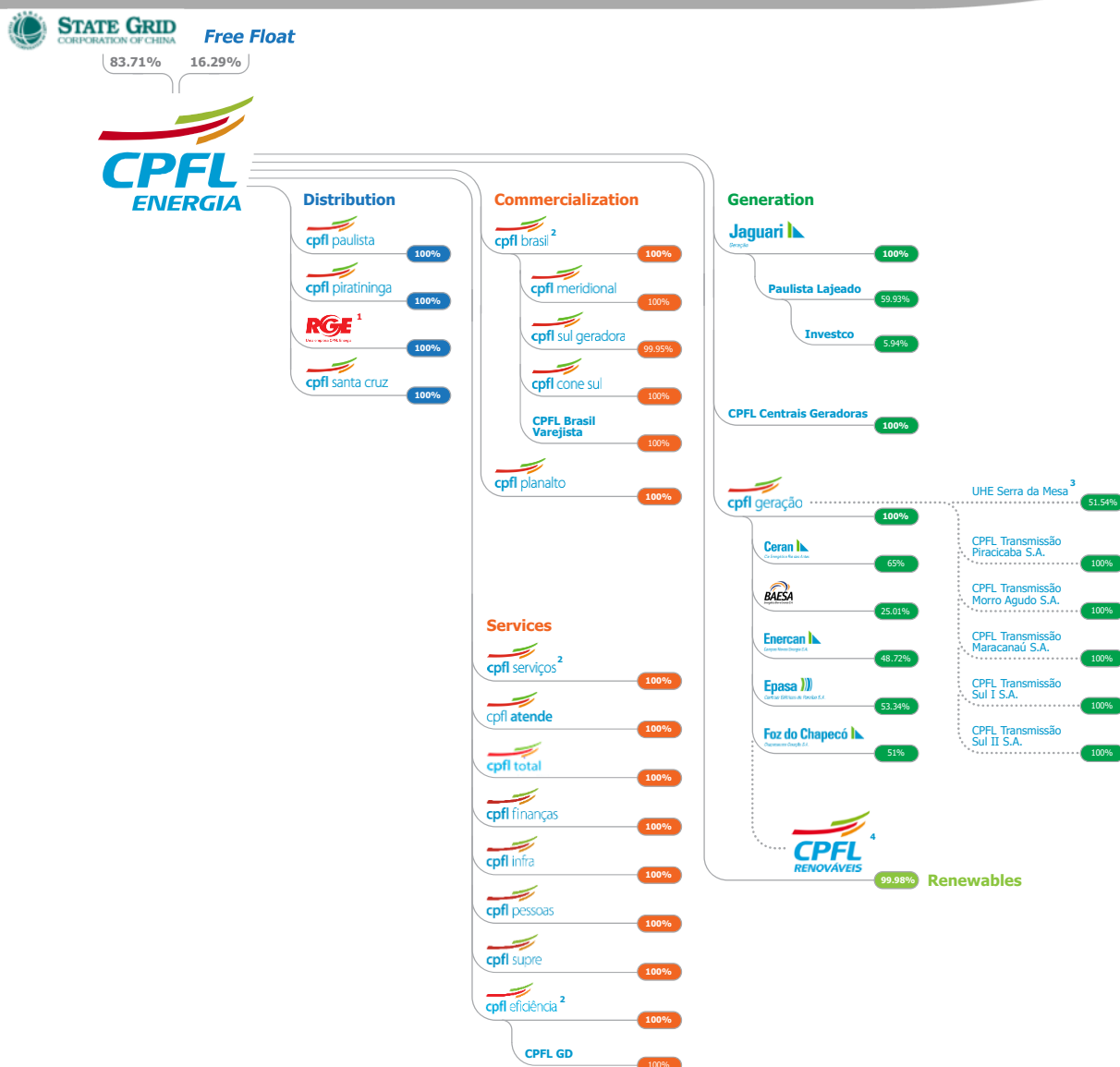
CPFL Energia operates in the Generation, Transmission, Distribution, Commercialization and Services segments, with presence in 11 states in all regions of the country.



CPFL is the second largest distributor in volume of energy sales, with 14% of the national market, serving approximately 9.8 million customers in 687 municipalities. With 4,304 MW of installed capacity, it is the third largest private generator in the country, being the leader in renewable generation, operating in hydroelectric, solar, wind and biomass sources. It also has investments in Transmission and a national operation through CPFL Soluções, providing integrated solutions in energy management and commercialization, energy efficiency, distributed generation, energy infrastructure and consulting services.

Shareholders Structure

CPFL Energia is a holding company that owns stake in other companies. State Grid Corporation of China (SGCC) controls CPFL Energia through its subsidiaries State Grid International Development Co., Ltd, State Grid International Development Limited (SGID), International Grid Holdings Limited, State Grid Brazil Power Participações S.A. (SGBP) and ESC Energia S.A.



Reference date: 06/30/2020

Notes:

(1) RGE is held by CPFL Energia (89.0107%) and CPFL Brasil (10.9893%).

(2) CPFL Soluções = CPFL Brasil + CPFL Serviços + CPFL Eficiência;

(3) 51.54% stake of the availability of power and energy of Serra da Mesa HPP

(4) CPFL Renováveis is controlled by CPFL Energia (46.7609%) and CPFL Geração (53.2183%)

Corporate Governance

The corporate governance model adopted by CPFL Energia and its subsidiaries is based on the principles of transparency, equity, accountability and corporate responsibility.

CPFL's Management is composed by the Board of Directors, its decision-making authority, and the Board of Executive Officers, its executive body. CPFL also has five advisory committees to the Board of Directors, which support the Board in its decisions and monitor relevant and strategic themes, and a permanent Fiscal Council, composed of three members, that also exercises the duties of Audit Committee, in line with Sarbanes-Oxley Law (SOX), applicable to foreign companies with registration in Securities and Exchange Commission (SEC) from the United States.

The guidelines and documents on corporate governance are available at the Investor Relations website <http://www.cpfl.com.br/ir>.

Dividend Policy

On May 21, 2019, CPFL Energia announced to its shareholders and to the market that its Board of Directors approved, at the meeting held on that date, the adoption of a dividend distribution policy, which determines that the Company should distribute annually, as dividends, at least 50% of the adjusted net income, in accordance with the Brazilian Corporate Law. Furthermore, the Dividend Policy sets out the factors that will influence the amount of the distributions, as well as other issues considered relevant by the Board of Directors and the shareholders. The Dividend Policy also highlights that certain obligations contained in the Company's financial contracts may limit the amount of dividends and/or interest on own capital that may be distributed.

The approved Dividend Policy is merely indicative, with the purpose of signaling to the market the treatment that the Company intends to give to the distribution of dividends to its shareholders, having, therefore, a programmatic character, not binding upon the Company or its governing bodies.

The Dividend Policy is available at the Investor Relations website <http://www.cpfl.com.br/ir>.

Dividends related to 2019 Results

At the Annual General Shareholders' Meeting (AGM), held on July 27th, 2020, it was approved the payment of dividends in the amount of R\$ 2,075,179,610.86, equivalent to R\$ 1.800973412 per common share issued by the Company.

Pursuant to paragraph 3rd of article 205 of Law No. 6,404/76, the payment of dividends will be made in one single installment, until December 31th, 2020, in a specific date to be informed in due course to the shareholders and to the market, without monetary update or incurring interest between the declaration date and the effective payment date.

Shareholders that owned shares on July 27th, 2020 were entitled to receive the dividends, and as of July 28th, 2020, shares are being traded "ex-dividend" at the Brazilian Stock Exchange (B3 S.A. – Brasil, Bolsa, Balcão, or "B3").

2) OPERATIONAL PERFORMANCE

2.1) Distribution

2.1.1) Load net of losses in the concession area

Load in the Concession Area - GWh						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Captive Market	9,854	10,902	-9.6%	21,925	23,248	-5.7%
Free Client	4,838	5,627	-14.0%	10,807	11,352	-4.8%
Total	14,692	16,529	-11.1%	32,732	34,600	-5.4%

Note: If disregarding the migration of large consumers, the load within the concession area would have a variation of -10.2% in the quarter and -4.4% in YTD.

In 2Q20, the load net of losses in the concession area totaled 14,692 GWh, a reduction of 11.1%. In 1H20, the load totaled 32,732 GWh, a reduction of 5.4% compared to 1H19.

2.1.2) Sales within the Distributors' Concession Area

Sales within the Concession Area - GWh						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Captive Market	10,019	11,021	-9.1%	21,920	23,429	-6.4%
Free Client	4,935	5,604	-11.9%	10,476	10,928	-4.1%
Total	14,955	16,626	-10.1%	32,396	34,357	-5.7%

In 2Q20, sales in the concession area totaled 14,955 GWh, a reduction of 10.1%. If we disregard the migration of large consumers to the Basic Network and the significant reduction in the amount of energy contracted by two permissionaires¹, sales in the concession area in 2Q20 would have a variation of -9.1%.

Sales to the captive market totaled 10,019 GWh in 2Q20, a decrease of 9.1%. The amount of energy, in GWh, corresponding to the consumption of free customers in the area of operation of the group's distributors, billed through the Tariff for the Use of the Distribution System (TUSD), reached 4,935 GWh in 2Q20, a reduction of 11.9%.

In 1H20, sales in the concession area reached 32,396 GWh, a reduction of 5.7%. Sales to the captive market totaled 21,920 GWh, a reduction of 6.4%, and free customers consumption totaled 10,476 GWh, a reduction of 4.1%. If we disregard the migration of large consumers to the Basic Network and the significant reduction in the amount of energy contracted by two permissionaires, sales in the concession area in 1H20 would have a variation of -4.8%.

Sales within the Concession Area - GWh								
	2Q20	2Q19	Var.	Part.	1H20	1H19	Var.	Part.
Residential	4,849	4,801	1.0%	32.4%	10,293	10,404	-1.1%	31.8%
Industrial	5,130	6,235	-17.7%	34.3%	10,992	12,178	-9.7%	33.9%
Commercial	2,259	2,792	-19.1%	15.1%	5,290	5,886	-10.1%	16.3%
Others	2,716	2,798	-2.9%	18.2%	5,821	5,888	-1.1%	18.0%
Total	14,955	16,626	-10.1%	100.0%	32,396	34,357	-5.7%	100.0%

Note: The tables with sales within the concession area by distributor are attached to this report in item 6.10.

Concession area in 2Q20:

- **Residential Segment (32.4% of total sales):** increase of 1.0%, favored by changes in habit due to the social isolation imposed by the COVID-19 pandemic. On the other hand, temperature had a negative impact on this segment (higher temperatures in 2Q19, compared to 2Q20);
- **Industrial Segment (34.3% of total sales):** decrease of 17.7%, reflecting the economic slowdown. Disregarding the migration of large customers to the Basic Network, the industrial segment would have reduced 16.5%;
- **Commercial Segment (15.1% of total sales):** decrease of 19.1%, mainly reflecting the social isolation and the economic slowdown, due to the COVID-19 pandemic.

Concession area in 1H20:

- **Residential Segment (31.8% of total sales):** decrease of 1.1%, impacted by the lower temperature in 2020, partially offset by the positive impact of social isolation;
- **Industrial Segment (33.9% of total sales):** decrease of 9.7%, reflecting the weak performance of the economy and the migration of large customers to the Basic Network;

- **Commercial Segment (16.3% of total sales):** decrease of 10.1%, reflecting the higher temperatures of 2019 in the 1st quarter and the social isolation and consequent slowdown of the economy in the 2nd quarter.

Sales to the Captive Market - GWh						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	4,849	4,801	1.0%	10,293	10,404	-1.1%
Industrial	958	1,425	-32.7%	2,183	2,827	-22.8%
Commercial	1,629	2,107	-22.7%	3,893	4,505	-13.6%
Others	2,582	2,688	-3.9%	5,551	5,692	-2.5%
Total	10,019	11,021	-9.1%	21,920	23,429	-6.4%

Note: The tables with sales within the captive market by distributor are attached to this report in item 6.11.

Free Client - GWh						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Industrial	4,171	4,810	-13.3%	8,809	9,351	-5.8%
Commercial	630	684	-7.9%	1,397	1,381	1.2%
Others	134	110	22.0%	270	196	37.9%
Total	4,935	5,604	-11.9%	10,476	10,928	-4.1%

Free Client by Distributor - GWh						
	2Q20	2Q19	Var.	1H20	1H19	Var.
CPFL Paulista	2,205	2,599	-15.1%	4,795	5,114	-6.2%
CPFL Piratininga	1,440	1,548	-7.0%	3,018	3,027	-0.3%
RGE	1,112	1,280	-13.1%	2,294	2,432	-5.7%
CPFL Santa Cruz	177	178	-0.1%	369	354	4.2%
Total	4,935	5,604	-11.9%	10,476	10,928	-4.1%

2.1.3) Losses

The consolidated losses index of CPFL Energia was of 9.09% in the 12 months ended in Jun-20, compared to 9.01% in Jun-19, an increase of 0.08 p.p. There are no relevant differences of billing calendar between the compared periods.

12M Accumulated Losses ¹						
	Jun-19	Sept-19	Dec-19	Mar-20	Jun-20	ANEEL
CPFL Energia	9.01%	9.31%	8.89%	9.14%	9.09%	8.20%
CPFL Paulista	9.13%	9.63%	9.12%	9.30%	9.39%	8.38%
CPFL Piratininga	7.88%	7.99%	7.59%	7.58%	7.60%	6.53%
RGE	9.74%	9.86%	9.62%	10.08%	9.79%	9.18%
CPFL Santa Cruz	8.10%	8.34%	7.69%	8.45%	8.01%	7.57%

Note: According to the criteria defined by the Regulatory Agency (ANEEL). In CPFL Piratininga and RGE, high-voltage customers (A1) were disregarded.

The CPFL group has intensified the actions against non-technical losses and the main achievements in the 1H20 were:

- Recovery of 337.3 GWh of energy, of which 257.8 GWh related to the increase in revenue and 79.5 GWh of retroactive energy;

- ii. 319.6 fraud inspections at consumer units;
- iii. Cut out of 126,000 inactivated consumer units;
- iv. Telemetry installation with inspection and meter replacement for 1,600 group A customers;
- v. Implementation of armored measuring boxes for 5,700 customers;
- vi. Regularization of 1,300 clandestine consumers;
- vii. Replacement of obsolete/defective meters by new electronic meters;
- viii. More than 350 police reports relating to energy fraud identified by CPFL's operational teams;
- ix. More than 80 investigative actions with the police, culminating in leading people to the police station for prison or indictments for energy theft;
- x. Disclosure of the balance of energy fraud and theft in the media, intensifying communication that energy theft is a crime and subject to penalties. In 1H20, we recorded 137 articles about the subject coming from CPFL group.

2.1.4) SAIDI and SAIFI

The SAIDI (System Average Interruption Duration Index) measures the average duration, in hours, of interruption per consumer per year and the SAIFI (System Average Interruption Frequency Index) measures the average number of interruptions per consumer per year. Such indicators measure the quality and reliability of the electricity supply.

SAIDI Indicators									
Distributor	SAIDI (hours)								
	2016	2017	2018	2019	1Q19	1Q20	2Q20	Var. %	ANEEL ¹
CPFL Energia	10.18	9.06	9.01	8.14	9.12	8.14	7.90	-13.4%	n.d
CPFL Paulista	7.62	7.14	6.17	6.72	6.71	6.39	6.37	-5.1%	7.38
CPFL Piratininga	8,44 ¹	6.97	5.92	6.48	6.55	5.92	5.85	-10.7%	6.41
RGE ²	16.82	14.83	14.44	14.01	14.83	12.68	11.99	-19.2%	11.08
CPFL Santa Cruz	8.47	6.22	6.01	5.56	6.22	4.97	4.77	-23.3%	8.46

SAIFI Indicators									
Distributor	SAIFI (interruptions)								
	2016	2017	2018	2019	1Q19	1Q20	2Q20	Var. %	ANEEL ¹
CPFL Energia	5.85	5.37	4.87	4.64	4.97	4.64	4.59	-7.6%	n.d
CPFL Paulista	5.00	4.94	4.03	4.38	4.29	4.15	4.14	-3.5%	6.32
CPFL Piratininga	3.97	4.45	3.87	4.34	4.34	3.93	4.02	-7.3%	5.68
RGE ²	8.44	7.68	6.10	6.25	6.40	5.93	5.77	-9.8%	8.35
CPFL Santa Cruz	6.25	5.13	5.09	4.25	4.82	3.85	3.67	-23.9%	7.64

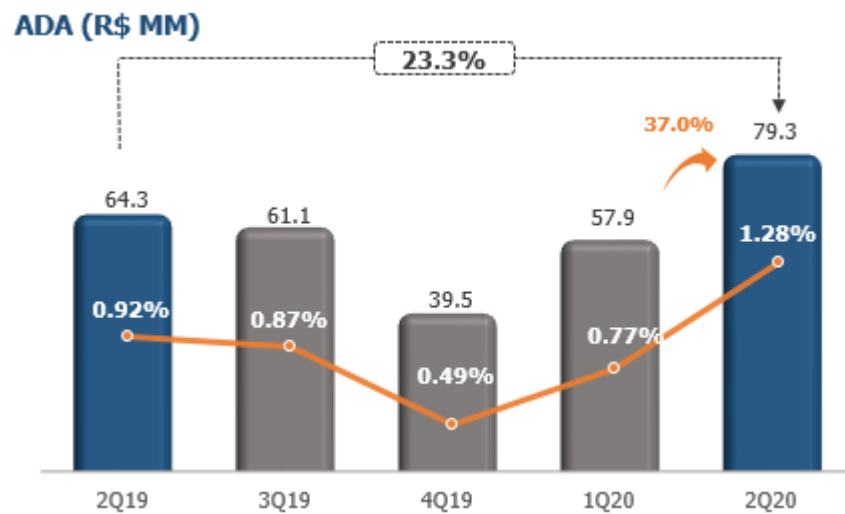
Notes:

1) ANEEL limit;

2) Since 2019, the RGE and RGE Sul concessions have been unified, becoming a single distributor for the purpose of calculating technical indicators.

The annualized figures of SAIDI and SAIFI in 2Q20 were lower than the same period in 2019 (-13.4% in SAIDI and -7.6% in SAIFI) for the consolidated of the distributors. These results reflect maintenance actions and investments in improvements in the CPFL Energia group's distributors. Furthermore, the concession areas had a lower number of occurrences and bad weather situations, if compared to 2019.

2.1.5) Delinquency



The ADA registered an increase of 23.3% (R\$ 15 million) in 2Q20, compared to 2Q19. In comparison to 1Q20, there was an increase of 37.0% (R\$ 21 million).

This increase was related to the effects of the COVID-19 pandemic, which accentuated the negative effects of the economic situation. In addition, through Resolution no. 878/2020, ANEEL suspended power cuts to rural/urban residential customers and essential activities, from March 24 to July 31. Thus, the company made only 143 thousand suspensions in the supply of energy due to non-payment, representing a reduction of 76.2% over 2Q19 (603 thousand). In 1H20, the reduction was of 25.5%.

In this context, in order to fight the higher delinquency, CPFL has intensified other collection actions, highlighting:

- i. Implementation of new payment options on the web with credit card and collection actions with the power cut teams for overdue accounts;
- ii. Differentiated negotiation plan for Group A customers of essential services and with greater impact of the crisis in the short term;
- iii. Implementation of a "delivery" payment, actions using on-site collection, where the field teams assumed the role of collecting agents, taking the debit card machine to the customer's residence.

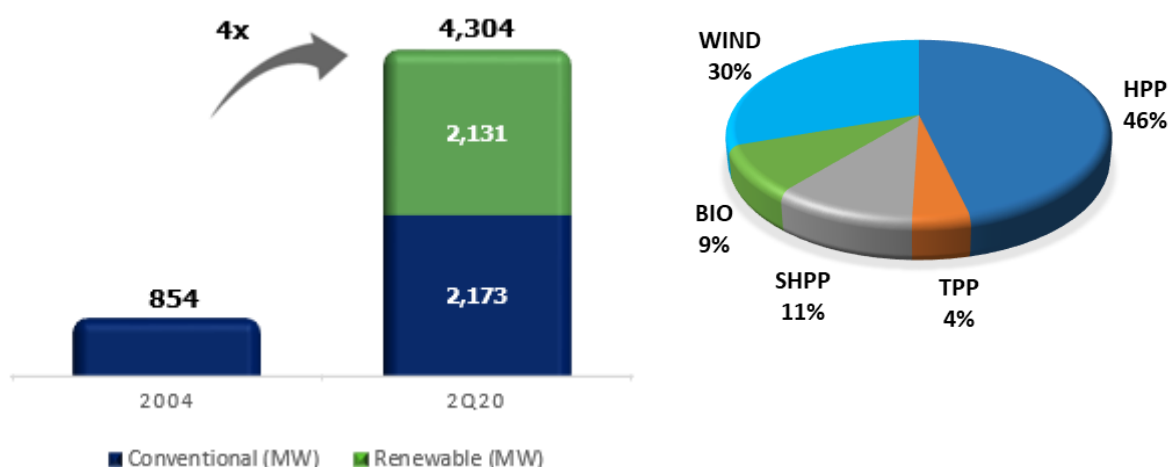
2.2) Conventional and Renewable Generation

2.2.1) Installed Capacity

In 2Q20, the Generation installed capacity of CPFL Energia group, considering the proportional stake in each project, is of 4,304 MW.

Since the IPO in 2004, CPFL Energia has been expanding its portfolio and today has a capacity 4 times higher.

Installed Capacity (MW)



Note: Take into account CPFL Energia's 99.98% stake in CPFL Renováveis. Source breakdown graphic does not consider 1 MW of Solar Generation of Tanquinho Plant.

2.2.2) Operational and under construction Projects

The project portfolio of conventional generation segment (considering CPFL Energia's participation in each project) totals 2,173 MW of installed capacity in operation. The plants in operation comprise 8 HPPs (1,966 MW), 2 TPPs (182 MW) and 9 SHPPs (24 MW).

CPFL Geração - Portfolio				
In MW	HPP	TPP	SHPP	Total
In Operation	1,966	182	24	2,173

CPFL Renováveis' project portfolio (100% Stake) totals 2,133 MW of installed capacity in operation and 110 MW of capacity under construction. The plants in operation comprise 40 SHPPs (453 MW), 45 wind farms (1,309 MW), 8 biomass thermoelectric plants (370 MW) e 1 solar plant (1 MW). Still under construction 1 SHPP (28 MW) and 4 wind farms (82 MW).

Additionally, CPFL Renováveis has wind, solar and SHPP projects under development totaling 3,350 MW.

The table below illustrates the overall portfolio of assets (100% stake) in operation, construction and development, and their installed capacity:

CPFL Renováveis - Portfolio (100% Stake)					
In MW	SHPP	Bio	Wind	Solar	Total
In Operation	453	370	1,309	1	2,133
In Construction	28	-	82	-	110
In Development	116	-	2,094	1,140	3,350
Total	597	370	3,485	1,141	5,593

SHPP Lucia Cherobim

SHPP Lucia Cherobim, a project located in the state of Paraná, is scheduled to start operating in 2024. In June 2020, the physical progress of the project was 9.5%. Installed capacity is

28.0 MW and physical guarantee is 16.6 average MW. The energy was sold under a long-term contract at the 2018 new energy auction (A-6). (Price: R\$ 200.05/MWh - June 2020).

Gameleira Complex Wind Farms

The Gameleira Complex Wind Farms (Costa das Dunas, Figueira Branca, Farol de Touros and Gameleira), located in the state of Rio Grande do Norte, is scheduled to start operating in 2024. In June 2020, the physical progress of the project was 14.6%. The installed capacity is 81.7 MW and the physical guarantee is 41.0 average MW. Part of the energy (12.0 average MW) was sold under a long-term contract at the 2018 new energy auction (A-6). (Price: R\$ 94.66/MWh – June 2020) and the rest was sold on the free market.

2.3) Commercialization

Number of Commercialization Consumer Units

In 2Q20, CPFL Brasil consumer units reached a total of 2,178, an increase of 20.1%.



2.4) Transmission

Operational Portfolio							
Project	Location	RAP (R\$ MM)	Capex (R\$ MM)	Operation Start	Substation #	Lines (Km)	
Piracicaba	SP	8.9	100	Apr/16	1	6.5	
Morro Agudo	SP	10.8	100	Jun/17	1	1	

In Construction Portfolio							
Project	Location	RAP (R\$ MM)	Estimated Capex by Aneel (R\$ MM)	Operation Start	Substation #	Lines (Km)	Realized
Maracanaú	CE	7.9	102	Mar/22	1	2	11.8%
Sul I	SC	26.4	366	Mar/24	1	320	11.2%
Sul II	RS	33.9	349	Mar/24	3	85	27.1%

Notes: Base Date - Piracicaba (12/19/12) – Morro Agudo (06/01/14) – Maracanaú (06/28/18) – Sul I and II (12/20/18).

3) CPFL ENERGIA ECONOMIC-FINANCIAL PERFORMANCE

3.1) Economic-Financial Performance

Consolidated Income Statement - CPFL ENERGIA (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	9,847	10,804	-8.9%	20,725	21,592	-4.0%
Net Operating Revenue	6,562	7,036	-6.7%	13,844	14,164	-2.3%
Revenue from building the infrastructure	603	511	18.0%	1,099	927	18.6%
Net Operating Revenue (ex-rev. from infrastructure)	5,958	6,525	-8.7%	12,745	13,237	-3.7%
Cost of Electric Power	(4,023)	(4,269)	-5.7%	(8,365)	(8,752)	-4.4%
Contribution Margin	1,935	2,256	-14.2%	4,380	4,485	-2.3%
PMSO	(772)	(814)	-5.1%	(1,562)	(1,569)	-0.5%
Other Operating Costs & Expenses	(1,076)	(948)	13.5%	(2,043)	(1,795)	13.8%
Equity Income	85	90	-5.1%	170	176	-3.0%
EBITDA¹	1,208	1,505	-19.7%	2,904	3,036	-4.3%
Financial Income (Expense)	(72)	(211)	-65.8%	49	(431)	-
Income Before Taxes	703	885	-20.5%	2,093	1,791	16.9%
Net Income	462	574	-19.4%	1,366	1,144	19.4%

Note: (1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Instruction no. 527/12.

CPFL Energia - Key financial indicators by business segment (R\$ million)						
	Distribution	Conventional Generation	Renewable Generation	Others	Eliminations	Consolidated
2Q20						
Contribution margin	1,325	265	292	208	(155)	1,935
EBITDA ¹	622	327	203	56	-	1,208
Financial results	19	(18)	(79)	6	-	(72)
Net Income	269	217	(43)	19	-	462
2Q19						
Contribution margin	1,590	268	345	189	(135)	2,256
EBITDA ¹	873	334	251	46	-	1,505
Financial results	(72)	(39)	(111)	10	-	(211)
Net Income	387	208	(38)	17	-	574
Variation (%)						
Contribution margin	-16.7%	-1.1%	-15.4%	10.5%	14.5%	-14.2%
EBITDA ¹	-28.7%	-1.9%	-19.2%	20.0%	-	-19.7%
Financial results	-	-54.8%	-28.6%	-42.2%	-	-65.8%
Net Income	-30.5%	4.2%	11.0%	12.4%	-	-19.4%

CPFL Energia - Key financial indicators by business segment (R\$ million)						
	Distribution	Conventional Generation	Renewable Generation	Others	Eliminations	Consolidated
1H20						
Contribution Margin	3,151	528	604	367	(271)	4,380
EBITDA ¹	1,759	651	425	69	-	2,904
Financial results	225	(45)	(152)	21	-	49
Net Income	997	425	(72)	17	-	1,366
1H19						
Contribution Margin	3,234	508	626	376	(259)	4,485
EBITDA ¹	1,853	638	443	102	-	3,036
Financial results	(131)	(83)	(223)	6	-	(431)
Net Income	852	392	(132)	31	-	1,144
Variation (%)						
Contribution Margin	-2.6%	3.9%	-3.5%	-2.2%	4.6%	-2.3%
EBITDA ¹	-5.1%	2.0%	-4.0%	-32.0%	-	-4.3%
Financial results	-	-46.1%	-31.8%	272.2%	-	-
Net Income	17.0%	8.2%	-45.1%	-46.3%	-	19.4%

Notes: (1) The analysis by business segment is presented in chapter 5; (2) The breakdown of economic-financial performance by business segment is presented in annex 6.4.

Non-cash effects, extraordinary items and others

We highlight below the non-cash effects, extraordinary items and others of greater relevance observed in the periods analyzed, as a way to facilitate the understanding of the variations in Company's results.

EBITDA effects - R\$ million	2Q20	2Q19	Var.	1H20	1H19	Var.
Adjustments in the concession financial assets (VNR)	(61)	108	-	77	173	-55.2%
Legal and judicial expenses	(26)	(39)	-32.6%	(64)	(71)	-10.2%
Assets write-off	(20)	(36)	-43.4%	(50)	(53)	-5.8%
Other extraordinary items:						
CPFL Santa Cruz - PIS/Cofins over ICMS	-	-	-	-	34	-

Financial results effects - R\$ million	2Q20	2Q19	Var.	1H20	1H19	Var.
Mark-to-market (MTM)	3	6	-51.8%	270	5	5135.6%
Financial revenues due to Re-IPO resources	-	6	-	-	6	-

Operating Revenue

In 2Q20, gross operating revenue reached R\$ 9,847 million, representing a reduction of 8.9% (R\$ 957 million). Net operating revenue reached R\$ 6,562 million in 2Q20, registering a reduction of 6.7% (R\$ 475 million). These results mainly reflect the drop in the performance of the Distribution segment, due to the COVID-19 pandemic.

In 1H20, gross operating revenue reached R\$ 20,725 million, representing a reduction of 4.0% (R\$ 867 million). Net operating revenue reached R\$ 13,844 million in 1H20, registering a reduction of 2.3% (R\$ 320 million).

The breakdown of net operating revenue by business segment is presented in the table below:

Net Operating Revenue (R\$ Milhões)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Distribution	5,394	5,766	-6.5%	11,496	11,703	-1.8%
Conventional Generation	322	298	8.2%	622	567	9.7%
Renewable Generation	329	411	-19.9%	714	745	-4.2%
Commercialization	710	813	-12.7%	1,428	1,573	-9.2%
Services	175	158	10.3%	327	304	7.5%
Elimination and Others	(368)	(410)	-10.2%	(743)	(728)	2.0%
Total	6,562	7,036	-6.7%	13,844	14,164	-2.3%

For further details about the revenue variation by segment, see chapter 5 – Performance of Business Segments.

Cost of Electric Energy

Cost of Electric Energy (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Cost of Electric Power Purchased for Resale						
Energy from Itaipu Binacional	1,019	693	47.1%	1,929	1,350	42.9%
PROINFA	75	99	-24.2%	144	204	-29.3%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	2,803	3,104	-9.7%	5,886	6,676	-11.8%
PIS and COFINS Tax Credit	(353)	(289)	22.0%	(711)	(671)	5.9%
Total	3,545	3,606	-1.7%	7,249	7,559	-4.1%
Charges for the Use of the Transmission and Distribution System						
Basic Network Charges	504	489	3.2%	1,067	987	8.1%
Itaipu Transmission Charges	73	70	4.8%	143	137	4.8%
Connection Charges	42	46	-9.0%	82	93	-11.9%
Charges for the Use of the Distribution System	11	12	-6.8%	21	25	-12.6%
ESS / EER	(104)	112	-	(86)	71	-
PIS and COFINS Tax Credit	(47)	(66)	-28.5%	(111)	(119)	-6.8%
Total	479	662	-27.7%	1,116	1,193	-6.5%
Cost of Electric Energy	4,023	4,269	-5.7%	8,365	8,752	-4.4%

Cost of Electric Power Purchased for Resale

In 2Q20, the cost of electric power purchased for resale reached R\$ 3,545 million, a reduction of 1.7% (R\$ 62 million), mainly due to:

- (i) Reduction of 9.7% in **energy purchased in auctions, bilateral contracts and spot market** (R\$ 300 million), due to the lower volume of purchased energy (-3.1%) and the decrease in the average purchase price (-6.8%);
- (ii) Increase of 22.0% in **PIS and COFINS tax credit** (R\$ 64 million);
- (iii) Reduction of 24.2% in **PROINFA** (R\$ 24 million);

Partially offset by the:

- (iv) Increase of 47.1% in **Itaipu cost** (R\$ 326 million), due to exchange variation, which raised the average purchase price in 48.8%.

In 1H20, the cost of electric power purchased for resale reached R\$ 7,249 million, a reduction of 4.1% (R\$ 310 million), mainly due to:

- (i) Reduction of 11.8% in **energy purchased in auctions, bilateral contracts and**

spot market (R\$ 790 million), due to the lower volume of purchased energy (-2.9%) and the decrease in the average purchase price (-9.2%);

- (ii) Reduction of 29.3% in **PROINFA** (R\$ 60 million);
- (iii) Increase of 5.9% in **PIS and COFINS tax credit** (R\$ 40 million);

Partially offset by the:

- (iv) Increase of 42.9% in **Itaipu cost** (R\$ 579 million), due to exchange variation, which raised the average purchase price in 43.7%.

Volume of purchased energy (GWh)	2Q20	2Q19	Var.	1H20	1H19	Var.
Energy from Itaipu Binacional	2,714	2,745	-1.1%	5,436	5,466	-0.5%
PROINFA	260	266	-2.4%	512	523	-2.1%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	15,178	15,666	-3.1%	31,624	32,582	-2.9%
Total	18,152	18,678	-2.8%	37,572	38,570	-2.6%

Average price (R\$/ MWh)	2Q20	2Q19	Var.	1H20	1H19	Var.
Energy from Itaipu Binacional	375.47	252.40	48.8%	354.90	247.04	43.7%
PROINFA	288.97	371.99	-22.3%	281.67	389.95	-27.8%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	184.69	198.11	-6.8%	186.12	204.90	-9.2%
Total	195.27	193.09	1.1%	192.93	195.98	-1.6%

Charges for the Use of the Transmission and Distribution System

In 2Q20, charges for the use of the transmission and distribution system reached R\$ 479 million, a reduction of 27.7% (R\$ 184 million), due to the **sector charges** (ESS/EER) (R\$ 216 million), mainly due to the receipt of funds from the Reserve Fund for Future Charges Relief, in the amount of R\$ 223 million, authorized by the ANEEL Dispatch 986/2020 as a way to mitigate the impacts the COVID-19 pandemic. Such effect was partially offset by the **PIS/Cofins tax credit** (R\$ 19 million) and the **connection and transmission charges** (national grid, Itaipu transmission, connection and usage of the distribution system) (R\$ 14 million).

In 1H20, charges for the use of the transmission and distribution system reached R\$ 1,116 million, a reduction of 6.5% (R\$ 77 million), due to the **sector charges** (ESS/EER) (R\$ 158 million), partially offset by the **connection and transmission charges** (national grid, Itaipu transmission, connection and usage of the distribution system) (R\$ 72 million) and the **PIS/Cofins tax credit** (R\$ 8 million).

Contribution margin

In 2Q20, **contribution margin** reached R\$ 1,935 million, a reduction of 14.2% (R\$ 321 million). In 1H20, **contribution margin** reached R\$ 4,380 million, a reduction of 2.3% (R\$ 105 million). These results mainly reflect the drop in the performance of the Distribution segment in 2Q20, due to the lower inflation index (IPCA), which affected the update of the concession's financial assets, and the COVID-19 pandemic. For more details, see item 5.1.1.

PMSO

PMSO (R\$ million)								
	2Q20	2Q19	Variation		1H20	1H19	Variação	
			R\$ MM	%			R\$ MM	%
Personnel	(357)	(366)	8	-2.3%	(712)	(714)	2	-0.3%
Material	(59)	(66)	7	-11.1%	(133)	(133)	0	-0.1%
Outsourced Services	(151)	(178)	28	-15.4%	(322)	(343)	22	-6.3%
Other Operating Costs/Expenses	(205)	(203)	(2)	0.9%	(395)	(378)	(17)	4.5%
<i>Allowance for doubtful accounts</i>	<i>(80)</i>	<i>(65)</i>	<i>(15)</i>	<i>22.8%</i>	<i>(138)</i>	<i>(134)</i>	<i>(4)</i>	<i>3.1%</i>
<i>Legal and judicial expenses</i>	<i>(26)</i>	<i>(39)</i>	<i>13</i>	<i>-32.6%</i>	<i>(64)</i>	<i>(71)</i>	<i>7</i>	<i>-10.2%</i>
<i>Others</i>	<i>(99)</i>	<i>(99)</i>	<i>0</i>	<i>-0.4%</i>	<i>(194)</i>	<i>(174)</i>	<i>(20)</i>	<i>11.5%</i>
Total Reported PMSO	(772)	(814)	41	-5.1%	(1,562)	(1,569)	7	-0.5%

PMSO reached R\$ 772 million in 2Q20, a reduction of 5.1% (R\$ 41 million), due to the following factors:

- (i) Reduction of 43.4% (R\$ 15 million) in assets write-off;
- (ii) Reduction of 32.6% (R\$ 13 million) in legal and judicial expenses;
- (iii) Other items with a reduction of 5.3% (R\$ 34 million), mainly due to the reduction in the expenses with material and outsourced services, highlighting collection actions (R\$ 5 million), travel (R\$ 3 million), invoices reading and delivering (R\$ 2 million), fleet maintenance (R\$ 2 million) and collection fee (R\$ 1 million), among others;

Partially offset by:

- (iv) Increase of 22.8% (R\$ 15 million) in allowance for doubtful accounts, reflecting the impacts of the COVID-19 pandemic;
- (v) Increase of 22.6% (R\$ 6 million) in expenses with grid and substation maintenance, related to Capex efforts.

In 1H20, PMSO reached R\$ 1,562 million, a reduction of 0.5% (R\$ 7 million), due to the following factors:

- (i) Reduction of 10.2% (R\$ 7 million) in legal and judicial expenses;
- (ii) Reduction of 5.8% (R\$ 3 million) in assets write-off;
- (iii) Other items with a reduction of 1.0% (R\$ 13 million), mainly due to the reduction in the expenses with material and outsourced services, highlighting invoices reading and delivering (R\$ 3 million), travel (R\$ 3 million), collection actions (R\$ 2 million) and banks' collection fee (R\$ 1 million);

Partially offset by:

- (iv) Increase of 24.3% (R\$ 12 million) in expenses with grid and substation maintenance, related to Capex efforts;
- (v) Increase of 3.1% (R\$ 4 million) in allowance for doubtful accounts, reflecting the impacts of the COVID-19 pandemic in 2Q20.

Other operating costs and expenses

Other operating costs and expenses						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Costs of Building the Infrastructure	601	511	17.4%	1,096	927	18.2%
Private Pension Fund	43	28	52.1%	88	56	56.7%
Depreciation and Amortization	433	408	6.0%	859	813	5.7%
Total	1,076	948	13.5%	2,043	1,795	13.8%

EBITDA

In 2Q20, **EBITDA** reached R\$ 1,208 million, registering a reduction of 19.7% (R\$ 296 million). This result mainly reflect the drop in the performance of the Distribution segment in 2Q20, due to the lower inflation index (IPCA), which affected the update of the concession's financial assets, and the COVID-19 pandemic. For more details, see item 5.1.1.

In 1H20, **EBITDA** reached R\$ 2,904 million, registering a reduction of 4.3% (R\$ 131 million). The most relevant impact was the lower update of the concession's financial assets in the Distribution segment, in addition to the weaker wind performance in the Renewable Generation segment.

EBITDA is calculated according to CVM Instruction no. 527/12 and showed in the table below:

EBITDA and Net Income conciliation (R\$ million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Net Income	462	574	-19.4%	1,366	1,144	19.4%
Depreciation and Amortization	433	408	6.0%	860	813	5.7%
Financial Result	72	211	-65.8%	(49)	431	-
Income Tax / Social Contribution	241	311	-22.5%	727	647	12.3%
EBITDA	1,208	1,505	-19.7%	2,904	3,036	-4.3%

Financial Result

Financial Result (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Revenues	182	231	-21.1%	621	438	41.8%
Expenses	(255)	(443)	-42.5%	(572)	(869)	-34.2%
Financial Result	(72)	(211)	-65.8%	49	(431)	-

In 2Q20, **net financial expense** was of R\$ 72 million, a reduction of 65.8% (R\$ 139 million) if compared to the net financial expense observed in 2Q19. The items explaining this variation are as follows:

- (i) Reduction of 48.5% (R\$ 150 million) in the **expenses with the net debt** (debt charges net of income from financial investments), mainly reflecting the reduction in interest rate (CDI) and the lower debt cost;

Partially offset by:

- (ii) Negative variation of R\$ 11 million in other financial revenues/expenses.

In 1H20, **net financial revenue** was of R\$ 49 million, a variation of R\$ 480 million if compared to the net financial expense observed in 1H19. The items explaining this variation are as follows:

- (i) Variation of R\$ 265 million in the **mark-to-market** (non-cash effect). This significant variation was mainly due to the high level of new funds raised (R\$ 3.4 billion) in foreign currency, with swap to CDI, at an average cost of CDI + 0.83%, in the period from January to April, right before a relevant deterioration of credit market conditions as a result of the economic crisis generated by the COVID-19 pandemic;
- (ii) Reduction of 35.1% (R\$ 217 million) in the **expenses with the net debt** (debt charges net of income from financial investments), mainly reflecting the reduction in interest rate (CDI) and the lower debt cost;

Partially offset by:

- (iii) Negative variation of R\$ 2 million in other financial revenues/expenses.

Income Tax and Social Contribution

In 2Q20, Income Tax and Social Contribution recorded a reduction of 22.5% (R\$ 70 million), mainly explained by the variation on Income before Taxes. The effective tax rate, that was 35.2% in 2Q19, went to 34.3% in 2Q20.

In 1H20, Income Tax and Social Contribution recorded an increase of 12.3% (R\$ 80 million), mainly explained by the variation on Income before Taxes.

Net Income

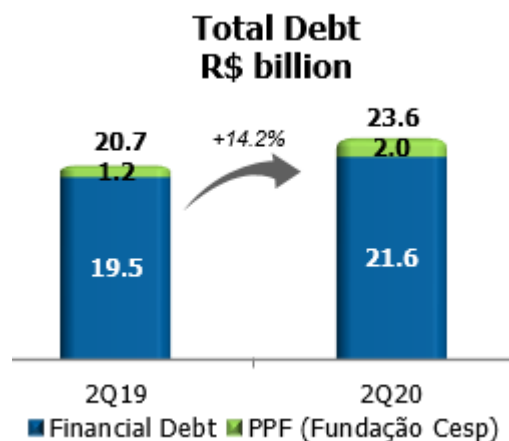
Net income was of R\$ 462 million in 2Q20, registering a reduction of 19.4% (R\$ 111 million). This result reflects the reduction in EBITDA, mainly due to the drop in the performance of the Distribution segment, due to the COVID-19 pandemic, partially offset by the improvement in the financial result, due to lower expenses with net debt.

In 1H20, **net income** was of R\$ 1,366 million, registering an increase of 19.4% (R\$ 222 million). The gain recorded in financial results due to the mark-to-market of debts and the reduction in debt cost contributed to this result.

3.2) Indebtedness

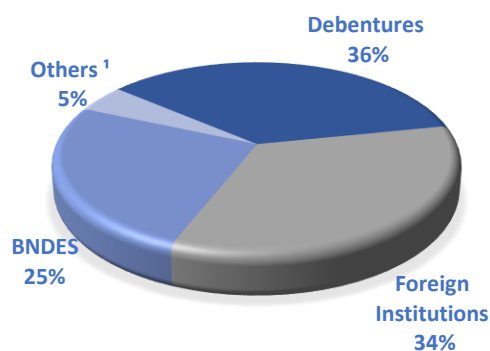
3.2.1) Debt (IFRS)

On June 30, 2020, CPFL Energia's total debt was R\$ 23.6 billion, with a variation of +14.2% compared to the last year. The financial debt of the group, which considers loans, debentures and intercompany loans, was of R\$ 21.6 billion in the same date.



Note: (1) Including the mark-to-market (MTM) effect and borrowing costs; (2) Including the intercompany loan, in the amount of R\$ 850 million, of CPFL Renováveis with SGBP.

Debt Profile – IFRS



Average Cost (End of the period – IFRS)

2Q20 – 4.21%
2Q19 – 7.37%

Note: (1) Others: credit lines and intercompany loan of CPFL Renováveis with SGBP.

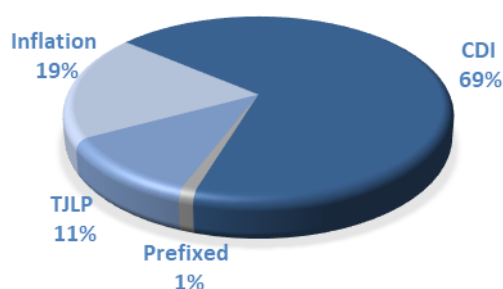
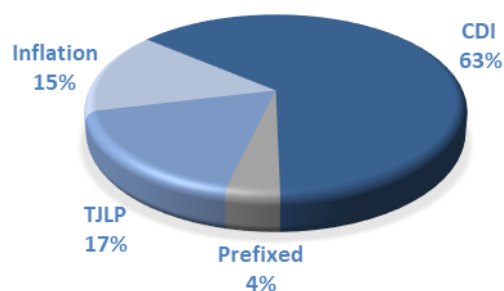
The CPFL Group constantly seeks to mitigate any possibility of market fluctuations risk and, for this reason, a share of its debts portfolio, around R\$ 7.6 billion, is protected by hedge operations. Considering, for instance, foreign loans, which represent almost 34% of the total debts (IFRS criteria), it was contracted swap operations, aiming protection for the foreign exchange and the rate linked to the contract.

Indexation After Hedge

2Q19 vs. 2Q20

2Q19

2Q20

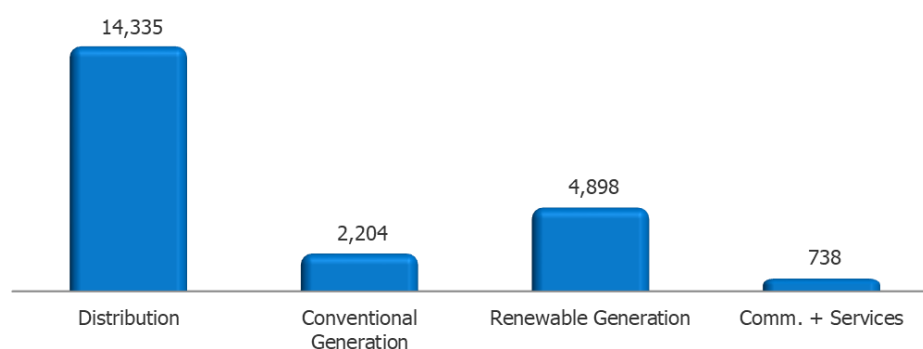


Note: (1) For debts contracted in foreign currency (34.23% of the total in 2Q20), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in IFRS criteria

IFRS R\$ Million	2Q20	2Q19	Var. %
Financial Debt (including hedge)	(21,642)	(19,472)	11.1%
(+) Available Funds	6,988	6,982	0.1%
(=) Net Debt	(14,655)	(12,490)	17.3%

Debt by Segment (R\$ Million – IFRS)



Notes:

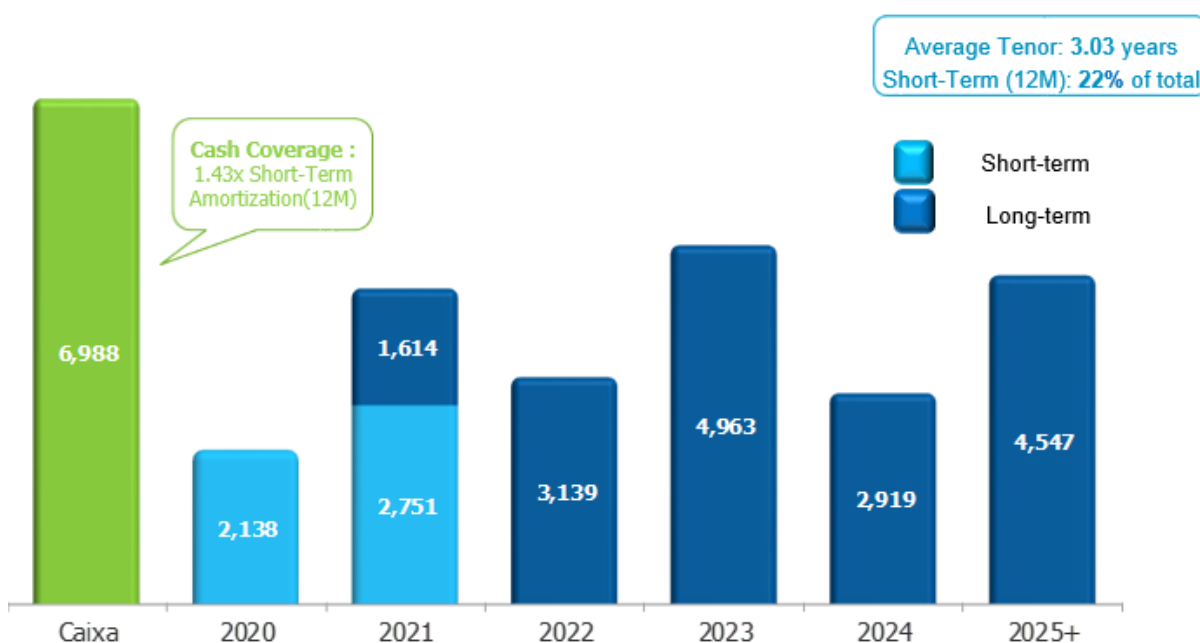
- 1) The Conventional Generation segment considers CPFL Geração, Ceran and CPFL Transmissão Piracicaba; Service segment considers CPFL Serviços and CPFL Eficiência.
- 2) Considering only the debt's notional and derivatives.
- 3) In the Renewable Generation it is considered the balance of the intercompany loan.

Debt Amortization Schedule in IFRS (June-20)

The Group CPFL constantly evaluates market opportunities to close deals that enables financial results that meet the company's strategies and policies. Thus, due to CPFL's broad access to several kinds of fundraising in the market, both national and international, different modalities and instruments compose the group's debt portfolio.

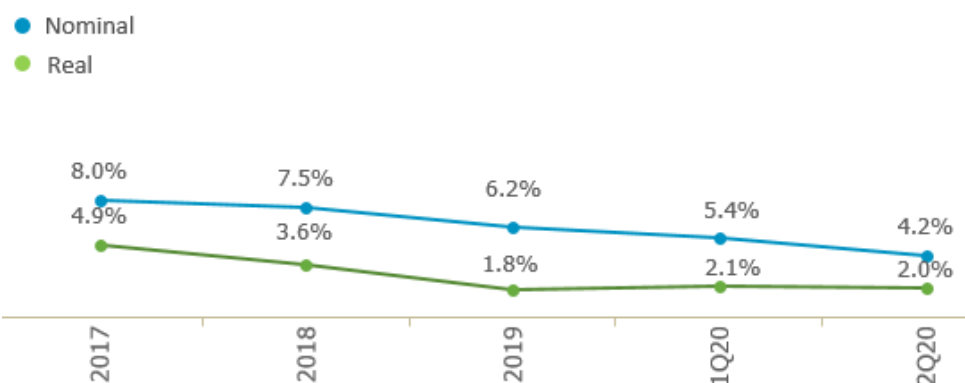
The cash position at the end of 2Q20 had a coverage ratio of **1.43x** the amortizations of the next 12 months, which allows the CPFL Group to honor the amortization commitments until June-21. The average amortization term based on this schedule is of **3.03 years**.

The debt amortization schedule of the financial debt below considers only the notional of the debts and derivatives.



Note: (1) Considering only the notional and hedge of the debt. In order to reach the financial result of R\$ 21,642 million, should be included charges and the mark-to-market (MTM) effect and cost with funding; (2) Including the intercompany loan of CPFL Renováveis with SGBP.

Gross Debt Cost¹ in IFRS criteria



Note: (1) The calculation considers the average cost in the end of the period, since it better reflects the interest rate variations.

Ratings

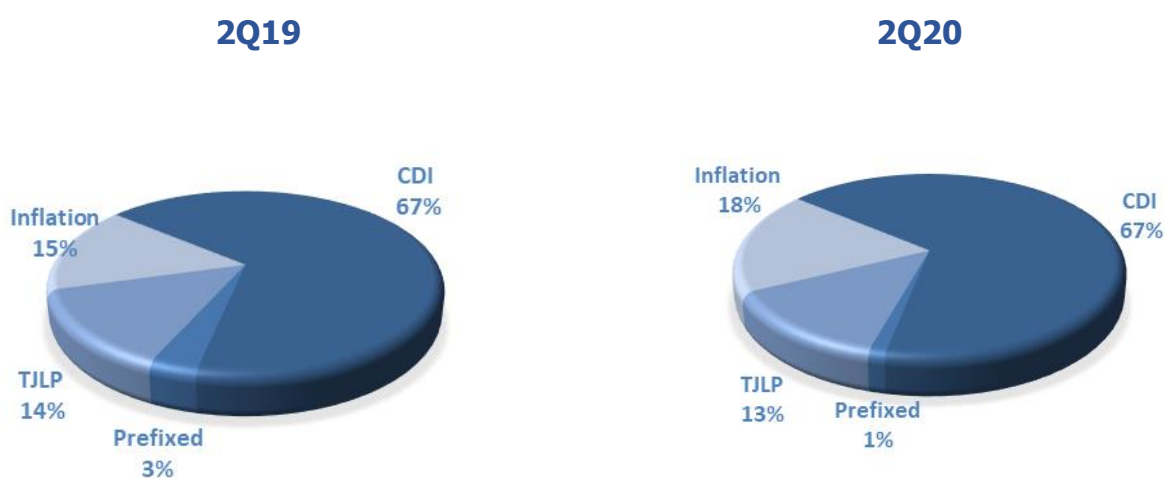
The following table shows the corporate ratings of CPFL Energia.

Ratings of CPFL Energia - Corporate Credit			
Agency	Scale	Rating	Perspective
Standard & Poor's	Brazilian	brAAA	Stable
Fitch Ratings	Brazilian	AAA(bra)	Stable
Moody's	Brazilian Global	Aaa.br Ba1	Stable

3.2.2) Debt in Financial Covenants Criteria

Indexation and Debt Cost in Financial Covenants Criteria

Indexation¹ after Hedge² - 2Q19 vs. 2Q20



Note:

(1) The total amount considers the proportional consolidation of CERAN, ENERCAN, Foz do Chapecó and EPASA;

(2) For debts contracted in foreign currency (33.25% of the total), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in Financial Covenants Criteria and Leverage

In the end of the 2Q20, the *Proforma* Net Debt totaled **R\$ 15,008** million, an increase of **36.9%** compared to net debt position at the end of 2Q19, of **R\$ 10,964** million. This increase occurred mainly due to the CPFL Energia share into CPFL Renováveis, which changed from 53.18% in June of 2019 to 99.98%¹ in June of 2020.

¹ Covenant calculation considered 100% share of CPFL Renováveis

Covenant Criteria (*) - R\$ Million	2Q20	2Q19	Var.%
Financial Debt (including hedge) ¹	(22,293)	(17,776)	25.4%
(+) Available Funds	7,285	6,812	7.0%
(=) Net Debt	(15,008)	(10,964)	36.9%
EBITDA Proforma ²	6,548	5,683	15.6%
Net Debt / EBITDA	2.29	1.93	18.4%

Notes:

(1) The total amount considers the proportional consolidation of CERAN, ENERCAN, Foz do Chapecó and EPASA;

(2) *Proforma* EBITDA in the financial covenants criteria: adjusted according CPFL Energia's stake in each of its subsidiaries.

In line with the criteria for calculation of financial covenants of loan agreements with financial institutions, net debt and the EBITDA are adjusted according to the equivalent stake of CPFL Energia in each of its subsidiaries.

Considering that, the *Proforma* Net Debt totaled **R\$ 15,008 million** and *Proforma* EBITDA in the last 12 months reached **R\$ 6,548 million**, the ratio *Proforma* Net Debt / EBITDA at the end of 2Q20 reached **2.29x**.

Leverage in Financial covenants criteria - R\$ billion



Notes: (1) LTM EBITDA; (2) Adjusted by the proportional consolidation.

3.3) Investments

3.3.1) Actual Investments

Segment	Investments (R\$ Million)					
	2Q20	2Q19	Var.	2019	2018	Var.
Distribution	546	482	13.3%	1,000	885	12.9%
Generation - Conventional	1	4	-86.5%	1	5.43	-73.3%
Generation - Renewable	62	17	267.1%	92	49	85.5%
Commercialization	0	1	-91.7%	6	1	448.5%
Services and Others ²	7	15	-51.1%	25	22	11.3%
Transmission ¹	32	3	1119.3%	40	3	1386.1%
Total	648	521	24.3%	1,164	966	20.5%

Note:

1) Transmission – Transmission assets do not have fixed assets, the figures in this table is the addition of concession financial assets;

2) Others – basically refers to assets and transactions that are not related to the listed segments.

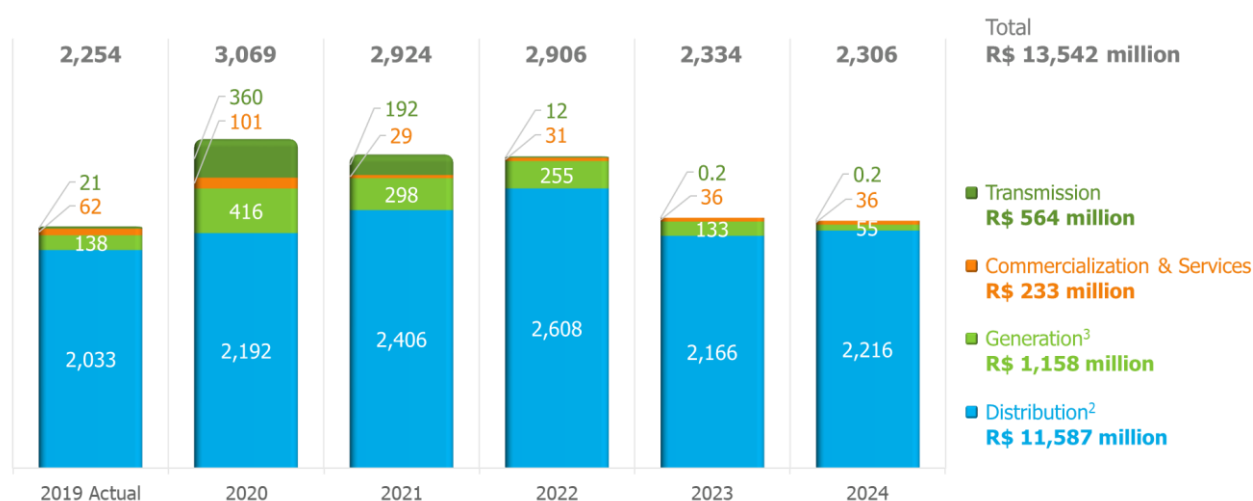
In 2Q20, the investments were R\$ 648 million, an increase of 24.3%, compared to R\$ 521 million registered in 2Q19. We highlight investments made by CPFL Energia in the Distribution

segment, in the amount of R\$ 546 million, mainly intended for expansion, modernization and maintenance of electrical system.

3.3.2) Investment Guidance

On November 29, 2019, CPFL Energia's Board of Directors approved Board of Executive Officers' proposal for 2020 Annual Budget and 2021/2024 Multiannual Plan for the Company, which was previously discussed by the Budget and Corporate Finance Committee.

Investments Guidance (R\$ million)¹



Notes:

1) Constant currency;

2) Disregard investments in Special Obligations (among other items financed by consumers);

3) Conventional + Renewable.

4) STOCK MARKETS

4.1) Stock Performance

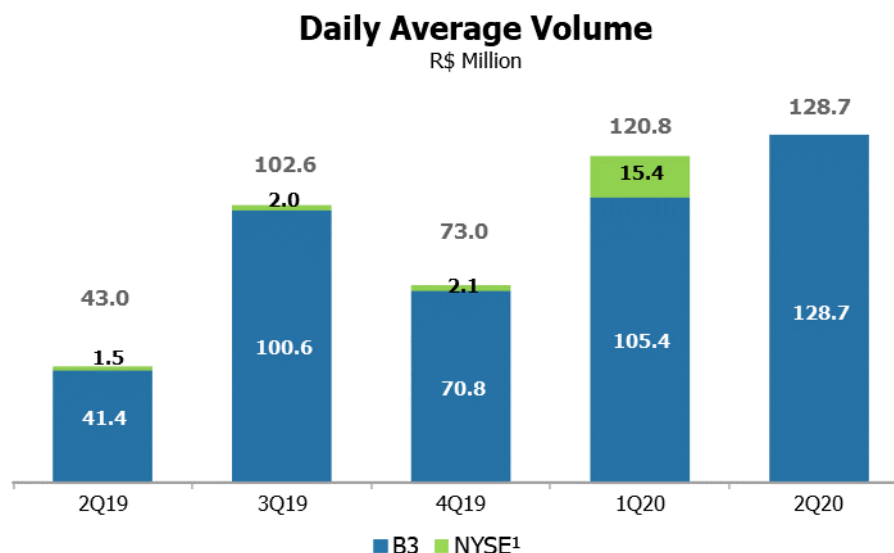
CPFL Energia is listed in B3 (Novo Mercado), segment with the highest levels of corporate governance.

B3			
Date	CPFE3 (R\$)	IEE	IBOV
06/30/2020	R\$ 30.66	70,160	95,056
03/31/2020	R\$ 26.87	57,651	73,020
06/30/2019	R\$ 30.43	63,831	100,967
QoQ	14.1%	21.7%	30.2%
YoY	0.8%	9.9%	-5.9%

On June 30, 2020, CPFL Energia's shares closed at R\$ 30.66 per share in the B3, an appreciation in the quarter of 14.1%. Considering the variation in the last 12 months, the shares appreciated by 0.8%.

4.2) Daily Average Volume

The daily average volume trading of CPFL Energia in 2Q20 was R\$ 128.7 million, representing an increase of 199.5% if compared to 2Q19. The daily average number of trades of CPFL Energia's share went from 3,315 in 2Q19 to 15,349 in 2Q20, a variation of 362.9%.



Note: For the NYSE daily average trading volume, it was considered the volume until 01/27/2020, the date on which the ADR negotiation was suspended in NYSE, as a result of the process of delisting in this stock exchange.

5) PERFORMANCE OF BUSINESS SEGMENTS

5.1) Distribution Segment

5.1.1) Economic-Financial Performance

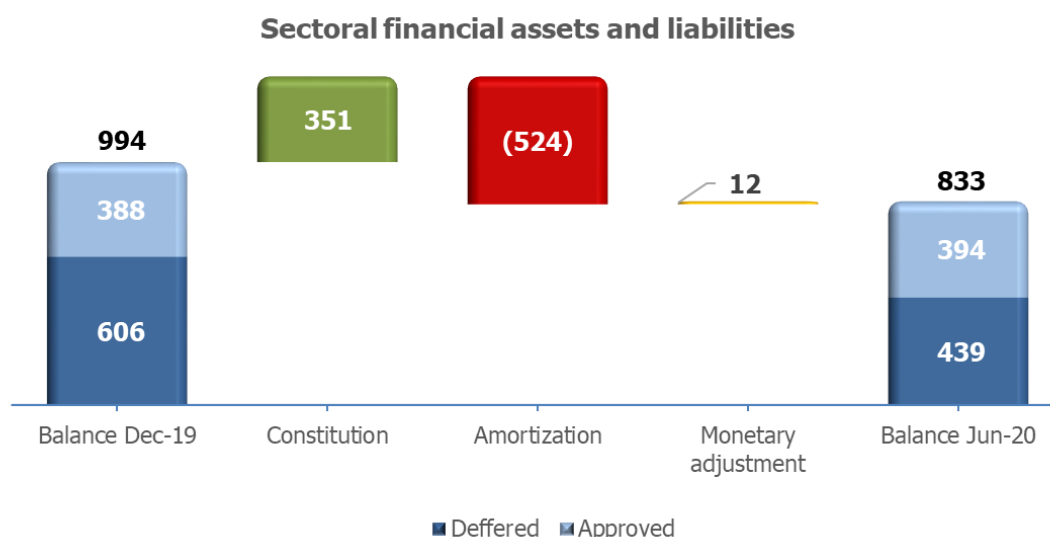
Consolidated Income Statement - Distribution (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	8,527	9,376	-9.1%	18,076	18,823	-4.0%
Net Operating Revenue	5,394	5,766	-6.5%	11,496	11,703	-1.8%
Cost of Electric Power	(3,498)	(3,666)	-4.6%	(7,286)	(7,543)	-3.4%
Operating Costs & Expenses	(1,491)	(1,422)	4.9%	(2,879)	(2,693)	6.9%
EBIT	405	679	-40.3%	1,331	1,467	-9.2%
EBITDA⁽¹⁾	622	873	-28.7%	1,759	1,853	-5.1%
Financial Income (Expense)	19	(72)	-	225	(131)	-271.3%
Income Before Taxes	424	607	-30.2%	1,556	1,335	16.5%
Net Income	269	387	-30.5%	997	852	17.0%

Note:

- (1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

Sectoral Financial Assets and Liabilities

On June 30, 2020, the balance of sectoral financial assets and liabilities was positive in R\$ 833 million. If compared to December 31, 2019, there was a reduction of R\$ 161 million, as demonstrated in the chart below:



The variation in this balance was due to the constitution of an asset of R\$ 351 million, due to higher energy costs of Itaipu and an increase in energy overcontracting, reflection of the COVID-19 pandemic. However, there was an amortization of R\$ 524 million, mainly favored by the tariff readjustments in the period, which allowed the pass-through of costs to consumers. The monetary adjustment of assets and liabilities totaled R\$ 12 million.

Operating Revenue

Operating Revenue						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue						
Revenue with Energy Sales (Captive + TUSD)	7,070	8,214	-13.9%	15,783	16,781	-5.9%
Short-term Electric Energy	192	115	66.6%	420	358	17.2%
Revenue from Building the Infrastructure of the Concession	571	511	11.9%	1,059	926	14.4%
Sectoral Financial Assets and Liabilities	291	21	1281.2%	(173)	(303)	-43.0%
CDE Resources - Low-income and Other Tariff Subsidies	384	338	13.5%	760	767	-1.0%
Adjustments to the Concession's Financial Asset	(61)	108	-	77	173	-55.2%
Other Revenues and Income	97	86	13.2%	199	169	17.8%
Compensatory Fines (DIC/FIC)	(18)	(17)	1.3%	(50)	(49)	2.0%
Total	8,527	9,376	-9.1%	18,076	18,823	-4.0%
Deductions from the Gross Operating Revenue						
ICMS Tax	(1,455)	(1,614)	-9.8%	(3,231)	(3,354)	-3.7%
PIS and COFINS Taxes	(734)	(812)	-9.6%	(1,554)	(1,606)	-3.3%
CDE Sector Charge	(845)	(1,046)	-19.2%	(1,786)	(2,044)	-12.6%
R&D and Energy Efficiency Program	(49)	(52)	-5.1%	(104)	(107)	-2.8%
PROINFA	(42)	(44)	-5.5%	(89)	(83)	7.0%
Tariff Flags and Others	0	(35)	-	198	88	126.3%
Others	(7)	(7)	4.8%	(15)	(14)	8.2%
Total	(3,133)	(3,610)	-13.2%	(6,580)	(7,120)	-7.6%
Net Operating Revenue	5,394	5,766	-6.5%	11,496	11,703	-1.8%

In 2Q20, gross operating revenue amounted to R\$ 8,527 million, a decrease of 9.1% (R\$ 850 million), due to the following factors:

- Decrease of 13.9% (R\$ 1,144 million) in the **revenue with energy sales** (captive + free clients), due to: (i) the reduction of 11.1% in the load in the concession area², and (ii) a tariff review with negative average readjustment in the consumer perception of 7.80% at CPFL Piratininga; partially offset by (iii) the positive average tariff adjustment in the distribution companies in the period between 2Q20 and 2Q19 (average increase of 8.63% in RGE and 1.72% in RGE Sul in June 2019, of 0.20% in CPFL Santa Cruz in March 2020 and of 6.05% in CPFL Paulista in April 2020;
- Variation of R\$ 170 million in the adjustments to the **concession's financial asset**, considering a reduction in IPCA (from +1.46% in 2019 to -0.62% in 2020);

Partially offset by:

- Variation of R\$ 270 million in the accounting of **Sectoral Financial Assets/Liabilities**;
- Increase of 66.6% (R\$ 77 million) in **Short-term Electric Energy** due to an increase of 1,889 GWh in volume;
- Increase of 11.9% (R\$ 61 million) in **Revenue from Building the Infrastructure of the Concession**; this revenue has its counterpart in operating costs;
- Increase of 13.5% (R\$ 46 million) in **tariff subsidies** (CDE);
- Increase of 16.2% (R\$ 11 million) in the **other items**.

Deductions from the gross operating revenue were R\$ 3,133 million in 2Q20, representing a decrease of 13.2% (R\$ 477 million), due to the following factors:

- Decrease of 9.7% (R\$ 236 million) in **taxes** (ICMS and PIS/COFINS);
- Decrease of 19.2% (R\$ 201 million) in **CDE** due to the reduction of the CDE quota, mainly due to the termination of ACR account loans;
- Decrease of 28.8% (R\$ 40 million) in **other items**.

Net operating revenue reached R\$ 5,394 million in 2Q20, representing a decrease of 6.5% (R\$ 372 million).

In 1H20, gross operating revenue amounted to R\$ 18,076 million, a decrease of 4.0% (R\$ 747 million), due to the following factors:

- Decrease of 5.9% (R\$ 998 million) in the **revenue with energy sales** (captive + free clients), due to: (i) the reduction of 5.4% in the load in the concession area³; partially offset by (ii) the positive average tariff adjustment in the distribution companies in the period between 1H19 and 1H20;
- Decrease of 55.2% (R\$ 95 million) in the adjustments to the **concession' financial asset**;

Partially offset by:

- Increase of R\$ 14.4% (R\$ 133 million) in **Revenue from Building the Infrastructure of the Concession**;

² If considering the migration of large consumers the load in 2Q20 would be -10.2%.

³ If considering the migration of large consumers the load in 1H20 would be -4.4%.

- Decrease of 43.0% (R\$ 130 million) in the accounting of **Sectoral Financial Assets/Liabilities**;
- Increase of 17.2% (R\$ 62 million) in **Short-term Electric Energy** due to a variation of 2,265 GWh in volume;
- Increase of 2.4% (R\$ 22 million) in **other items**.

Deductions from the gross operating revenue were R\$ 6,580 million in 1H20, representing a decrease of 7.6% (R\$ 540 million), due to the following factors:

- Decrease of 12.6 (R\$ 258 million) in **CDE** due to the reduction of the CDE quota, mainly due to the termination of ACR account loans;
 - Decrease of 3.5% (R\$ 175 million) in **taxes** (ICMS and PIS/COFINS);
 - Variation of R\$ 111 million in the accounting of **tariff flags** approved by CCEE;
- Partially offset by:
- Increase of 1.9% (R\$ 4 million) in **other items**.

Net operating revenue reached R\$ 11,496 million in 1H20, representing a decrease of 1.8% (R\$ 206 million).

Cost of Electric Energy

Cost of Electric Energy (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Cost of Electric Power Purchased for Resale						
Energy from Itaipu Binacional	1,019	693	47.1%	1,929	1,350	42.9%
PROINFRA	75	99	-24.2%	144	204	-29.3%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	2,254	2,468	-8.7%	4,759	5,400	-11.9%
PIS and COFINS Tax Credit	(303)	(232)	30.7%	(611)	(556)	9.9%
Total	3,045	3,028	0.6%	6,221	6,398	-2.8%
Charges for the Use of the Transmission and Distribution System						
Basic Network Charges	483	469	3.0%	1,025	948	8.1%
Itaipu Transmission Charges	73	70	4.8%	143	137	4.8%
Connection Charges	40	45	-10.0%	79	90	-12.4%
Charges for the Use of the Distribution System	6	7	-10.8%	13	16	-19.2%
ESS / EER	(104)	112	-	(86)	71	-
PIS and COFINS Tax Credit	(46)	(65)	-29.0%	(109)	(117)	-7.0%
Total	453	638	-29.0%	1,065	1,145	-7.0%
Cost of Electric Energy	3,498	3,666	-4.6%	7,286	7,543	-3.4%

Cost of Electric Power Purchased for Resale

In 2Q20, the cost of electric power purchased for resale amounted to R\$ 3,045 million, representing an increase of 0.6% (R\$ 17 million), due to:

- Increase of 47.1% (R\$ 326 million) in the cost with **Energy of Itaipu**, due to the increase in the average purchase price (48.8%), as a result of the exchange rate variation;

Partially offset by:

- Decrease of 8.7% (R\$ 214 million) in the cost with **energy purchased in the regulated environment, bilateral contracts and short term**, due to a decrease in volume and in the average purchase price;
- Increase of 30.7% (R\$ 71 million) in **PIS and COFINS tax credit**.

- Decrease of 24.2% (R\$ 24 million) in **Proinfa**, mainly due to a decrease in the average purchase price.

In 1H20, the cost of electric power purchased for resale amounted to R\$ 6,221 million, representing a decrease of 2.8% (R\$ 177 million), due to:

- Decrease of 11.9% (R\$ 641 million) in the cost with **energy purchased in the regulated environment, bilateral contracts and short term**, due to a decrease in volume and in the average purchase price;
- Decrease of 29.3% (R\$ 60 million) in **Proinfa**, due to a decrease in the average purchase price;
- Increase of 9.9% (R\$ 55 million) in **PIS and COFINS tax credit**.

Partially offset by:

- Decrease of 42.9% (R\$ 579 million) in the cost with **Energy of Itaipu**, due to the increase in the average purchase price (43.7%), as a result of the exchange rate variation;

Volume of purchased energy (GWh)	2Q20	2Q19	Var.	1H20	1H19	Var.
Energy from Itaipu Binacional	2,714	2,745	-1.1%	5,436	5,466	-0.5%
PROINFA	260	266	-2.4%	512	523	-2.1%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	10,920	11,363	-3.9%	23,066	23,799	-3.1%
Total	13,894	14,375	-3.3%	29,014	29,787	-2.6%

Average price (R\$/MWh)	2Q20	2Q19	Var.	1H20	1H19	Var.
Energy from Itaipu Binacional	375.47	252.40	48.8%	354.90	247.04	43.7%
PROINFA	288.97	371.99	-22.3%	281.67	389.95	-27.8%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	206.43	217.19	-5.0%	206.30	226.90	-9.1%
Total	219.16	210.64	4.0%	214.42	214.80	-0.2%

Charges for the Use of the Transmission and Distribution System

In 2Q20, the **charges for the use of the transmission and distribution system** reached R\$ 453 million, representing a decrease 29.0% (R\$ 185 million). This result was due to the variation of R\$ 216 million in **sector charges** (ESS/EER), mainly due to the receipt of resources of Reserve Fund for Future Relief of Charges, in the amount of R\$ 223 million, authorized by ANEEL Dispatch no. 986/2020, as a way to mitigate the impacts of the COVID-19 pandemic. Such effect was partially offset by a reduction in **PIS and COFINS tax credit** (R\$ 19 million) and by an increase of R\$ 12 million in **connection and transmission charges** (basic network, Itaipu transmission, connection and use of the distribution system).

In 1H20, the **charges for the use of the transmission and distribution system** reached R\$ 1,065 million, representing a decrease 7.0% (R\$ 80 million). The result was due to the variation of R\$ 157 million in **sector charges** (ESS/EER), partially offset by the increase of R\$ 69 million in **connection and transmission charges** (basic network, Itaipu transmission, connection and use of the distribution system) and by a decrease in **PIS and COFINS tax credit** (R\$ 8 million).

PMSO

Reported PMSO (R\$ million)								
	2Q20	2Q19	Variation		1H20	1H19	Variação	
			R\$ MM	%			R\$ MM	%
Personnel	(231)	(242)	11	-4.6%	(460)	(469)	9	-1.8%
Material	(44)	(44)	1	-1.3%	(89)	(90)	1	-1.6%
Outsourced Services	(208)	(220)	12	-5.5%	(408)	(427)	19	-4.4%
Other Operating Costs/Expenses	(177)	(182)	5	-2.6%	(348)	(340)	(9)	2.5%
<i>Allowance for doubtful accounts</i>	<i>(79)</i>	<i>(64)</i>	<i>(15)</i>	<i>23.3%</i>	<i>(137)</i>	<i>(132)</i>	<i>(5)</i>	<i>3.6%</i>
<i>Legal and judicial expenses</i>	<i>(28)</i>	<i>(38)</i>	<i>10</i>	<i>-26.8%</i>	<i>(61)</i>	<i>(69)</i>	<i>8</i>	<i>-11.2%</i>
<i>Others</i>	<i>(70)</i>	<i>(80)</i>	<i>10</i>	<i>-12.0%</i>	<i>(150)</i>	<i>(138)</i>	<i>(12)</i>	<i>8.3%</i>
Total Reported PMSO	(660)	(689)	29	-4.2%	(1,305)	(1,325)	20	-1.5%

In 2Q20, **PMSO** reached R\$ 660 million, a decrease of 4.2% (R\$ 29 million), due to the following factors:

- (i) Decrease of 47.9% (R\$ 17 million) in assets write-off, mainly in RGE, due to the write-off of inventory and scrap materials occurred in 2Q19, that did not happen in 2Q20;
- (ii) Decrease of 26.8% (R\$ 10 million) in legal and judicial expenses due to the lower number of lawsuits;
- (iii) Other items with a decrease of 4.3% (R\$ 23 million) mainly due to the reduction in expenses with material and outsourced services, highlighting the collection actions (R\$ 5 million), fleet maintenance (R\$ 3 million), meter reading and delivery of bills (R\$ 2 million), maintenance and conservation of buildings (R\$ 1 million), tree pruning, (R\$ 1 million), travels (R\$ 1 million), bank's collection fee (R\$ 1 million), among others;

Partially offset by:

- (iv) Increase of 23.3% (R\$ 15 million) in allowance for doubtful accounts, reflecting the impacts of the COVID-19 pandemic;
- (v) Increase of 22.6% (R\$ 6 million) in expenses with lines, grid and substation maintenance, related to Capex efforts.

In 1H20, **PMSO** reached R\$ 1,305 million, a decrease of 1.5% (R\$ 20 million), due to the following factors:

- (i) Decrease of 11.2% (R\$ 8 million) in legal and judicial expenses;
- (ii) Decrease of 6.6% (R\$ 3 million) in assets write-off;
- (iii) Other items with a decrease of 2.5% (R\$ 26 million) due to mainly the reduction in expenses with material and outsourced services, highlighting meter reading and delivery of bills (R\$ 3 million), fleet maintenance (R\$ 3 million), building maintenance (R\$ 2 million), call center (R\$ 1 million), travels (R\$ 1 million), bank's collection fee (R\$ 1 million), among others;

Partially offset by:

- (iv) Increase of 24.3% (R\$ 12 million) in expenses with lines, grid and substation maintenance, related to Capex efforts;
- (v) Increase of 3.6% (R\$ 5 million) in allowance for doubtful accounts, reflecting the impacts of the COVID-19 pandemic in 2Q20;

Other operating costs and expenses

Other operating costs and expenses						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Costs of Building the Infrastructure	571	511	11.9%	1,059	926	14.4%
Private Pension Fund	42	28	52.1%	87	55	56.6%
Depreciation and Amortization	203	180	12.5%	400	358	11.6%
Total	816	719	13.6%	1,546	1,339	15.4%

EBITDA

EBITDA totaled R\$ 622 million in 2Q20, a decrease of 28.7% (R\$ 251 million). This reduction in the results was due to the lower inflation index that affected the adjustments to the concession's financial asset and the impact of the COVID-19 pandemic, which resulted in a weaker market performance in the period and a higher ADA; on the other hand, there was a reduction in PMSO.

In 1H20, **EBITDA** totaled R\$ 1,759 million, a decrease of 5.1% (R\$ 94 million), with the most relevant impact being the lower adjustments to the concession's financial asset.

Conciliation of Net Income and EBITDA (R\$ million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Net income	269	387	-30.5%	997	852	17.0%
Depreciation and Amortization	217	194	11.6%	428	386	10.7%
Financial Results	(19)	72	-	(225)	131	-
Income Tax /Social Contributio	155	220	-29.6%	559	483	15.6%
EBITDA	622	873	-28.7%	1,759	1,853	-5.1%

Financial Result

Financial Result (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Revenues	142	148	-4.0%	530	293	80.7%
Expenses	(123)	(220)	-43.8%	(305)	(424)	-28.1%
Financial Result	19	(72)	-	225	(131)	-

In 2Q20, the financial result recorded a net financial revenue of R\$ 19 million, compared to a net financial expense of R\$ 72 million in 2Q19. The items that explain this variation are:

- (i) Decrease of 61.2% (R\$ 107 million) in the **expenses with net debt** due to the fall in the interest rate (CDI);
- (ii) Decrease of 51.8% (R\$ 12 million) in **other monetary updates**;
Partially offset by:
 - (iii) Decrease of 77.3% (R\$ 15 million) in **sectoral financial assets update**;
 - (iv) Decrease of 9.0% (R\$ 9 million) in **late payment interest and fines**;
 - (v) Variation R\$ 5 million in **market to market** (non-cash effect).

In 1H20, the financial result recorded a net financial revenue of R\$ 225 million, compared to a net financial expense of R\$ 131 million in 1H19. The items that explain this variation are:

- (i) Variation of R\$ 243 million in **market to market** (non-cash effect). This significant variation was mainly due to the high level of new funds raised (R\$ 3.2 billion) in foreign currency, with swap to CDI, at an average cost of CDI + 0.83% in the period between January and April, right before a relevant deterioration of credit market conditions as a result of the economic crisis generated by the COVID-19 pandemic;
- (ii) Decrease of 37.8% (R\$ 127 million) in the **expenses with net debt** due to the fall in the interest rate (CDI);
- (iii) Decrease of 43.1% (R\$ 19 million) in **other monetary updates**;
- (iv) Increase of 6.0% (R\$ 11 million) in **late payment interest and fines**;

Partially offset by:

- (v) Decrease of 74.4% (R\$ 35 million) in **sectoral financial assets update**;
- (vi) Variation of R\$ 9 million in **other financial revenues and expenses**.

Net Income

Net Income totaled R\$ 269 million in 2Q20, a decrease of 30.5% (R\$ 118 million). This result reflects a decrease of EBITDA, due to the lower adjustment to the concession's financial asset and the impact of the COVID-19 pandemic, offset by lower expenses with net debt.

In 1H20, **Net Income** totaled R\$ 997 million, an increase of 17.0% (R\$ 145 million). The positive result was a reflection of the gain recorded in the financial result due to the mark-to-market of debts and lower expenses with net debt.

5.1.2) Tariff Events

Reference dates

Tariff Revision				
Distributor	Periodicity	Next Revision	Cycle	Tariff Process Dates
CPFL Piratininga	Every 4 years	October 2023	6 th PTRC	October 23 rd
CPFL Santa Cruz	Every 5 years	March 2021	5 th PTRC	March 22 nd
CPFL Paulista	Every 5 years	April 2023	5 th PTRC	April 8 th
RGE	Every 5 years	June 2023	5 th PTRC	June 19 th

Annual tariff adjustments and periodic tariff reviews in 2019 and 2020

Annual Tariff Adjustments (ATAs)				Periodic tariff reviews (PTRs)
	CPFL Santa Cruz	CPFL Paulista ⁽¹⁾	RGE ⁽¹⁾	CPFL Piratininga
Ratifying Resolution	2,522	2,526	2,697	2,627
Adjustment	10.71%	14.90%	15.74%	1.88%
Parcel A	4.79%	5.83%	8.25%	-6.64%
Parcel B	-1.59%	0.26%	1.82%	1.24%
Financial Components	7.51%	8.80%	5.67%	7.28%
Effect on consumer billings	0.20%	6.05%	6.09%	-7.80%
Date of entry into force	03/22/2020	04/08/2020	06/19/2020	10/23/2019

(1) ANEEL suspended the application of 2020 new tariffs for CPFL Paulista and RGE until July 1, 2020, due to the COVID-19 pandemic. The difference in revenue from the anniversary date of the Distributors until July 1 was transferred to the Distributor through the sectoral loan "COVID Account". Additionally, to avoid a cash flow mismatch, ANEEL gave a discount on the CDE payment to CCEE, in the same period, in the estimated amount of this difference of revenue, to be refunded in installments from July to December 2020.

5.2) Commercialization and Services Segments

Economic-Financial Performance

Consolidated Income Statement - Commercialization (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H20	Var.
Net Operating Revenue	710	813	-12.7%	1,428	1,573	-9.2%
EBITDA⁽¹⁾	20	22	-6.6%	21	52	-60.4%
Net Income	14	13	7.8%	20	28	-28.7%

Consolidated Income Statement - Services (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H20	Var.
Net Operating Revenue	175	158	10.3%	327	304	7.5%
EBITDA⁽¹⁾	45	39	14.8%	73	75	-2.2%
Net Income	28	23	20.6%	44	46	-3.7%

Note: EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.

5.3) Conventional Generation Segment

Consolidated Income Statement - Conventional Generation (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	356	332	7.4%	689	633	8.8%
Net Operating Revenue	322	298	8.2%	622	567	9.7%
Cost of Electric Power	(25)	(29)	-14.3%	(54)	(58)	-7.1%
Operating Costs & Expenses	(85)	(55)	55.6%	(148)	(107)	38.5%
EBITDA⁽¹⁾	327	334	-1.9%	651	638	2.0%
Equity Income	85	90	-5.2%	170	176	-3.1%
Net Income	217	208	4.2%	425	392	8.2%

Note (1): EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.

Operating Revenue

In 2Q20, the **Gross Operating Revenue** reached R\$ 356 million, an increase of 7.4% (R\$ 24 million). The **Net Operating Revenue** was of R\$ 322 million, registering an increase of 8.2% (R\$ 24 million).

The main factors that affected the net operating revenue were:

- Increase of R\$ 31 million in the **Revenue from Building the Infrastructure of the Concession**, related to the services rendered to the construction of transmission lines and substation; this revenue has its counterpart in operating costs;
- Lower expense with **CFURH** (R\$ 2 million);
- Decrease in the **Aneel's inspection fee** (R\$ 1 million);

These effects were partially offset by:

- Decrease of 2.5% (R\$ 7 million) with **Electric Energy Supply**;
- Increase of 10% (R\$ 3 million) of **PIS/COFINS**.

In 1H20, the **Gross Operating Revenue** reached R\$ 689 million, an increase of 8.8% (R\$ 56 million). The **Net Operating Revenue** was of R\$ 622 million, an increase of 9.7% (R\$ 55 million).

The main factors that affected the net operating revenue were:

- Increase of R\$ 39 million in the **Revenue from Building the Infrastructure of the Concession**;
- Increase of R\$ 15 million with **Electric Energy Supply** by the contracts adjustments;
- Increase of R\$ 2 million in **Other Revenues**;
- Other items (R\$ 4 million);

These effects were partially offset by:

- Increase of 9.3% (R\$ 6 million) of **PIS/COFINS**.

Cost of Electric Power

In 2Q20, the Cost of Electric Power was of R\$ 25 million, representing a decrease of 14.3% (R\$ 4 million), compared to 2Q19. There was a reduction of 20.6% (R\$ 5 million) in the energy

purchased for resale, due to a:

- Decrease of 24.4% (R\$ 6 million) in the cost with **energy purchased in the regulated environment, bilateral contracts and short term**, due to a decrease in the volume and in the average purchase price;

Partially offset by:

- Decrease of 58.4% (R\$ 1 million) in **PIS and COFINS tax credit**.

In 1H20, the Cost of Electric Power amounted to R\$ 54 million, representing a decrease of 7.1% (R\$ 4 million), compared to 1H19. There was a reduction of 11.2% (R\$ 5 million) in the energy purchased for resale, due to a:

- Decrease of 12.6% (R\$ 6 million) in cost with **energy purchased in the regulated environment, bilateral contracts and short term**, due to a decrease in the volume and in the average purchase price;

Partially offset by:

- Decrease of 28.1% (R\$ 1 million) in **PIS and COFINS tax credit**.

PMSO

PMSO (R\$ million)								
	2Q20	2Q19	Variation		1H20	1H19	Variation	
			R\$ MM	%			R\$ MM	%
PMSO								
Personnel	11	9	2	25.7%	22	17	5	32.0%
Material	1	1	0	27.5%	2	2	0	9.2%
Outsourced Services	6	7	(0)	-5.3%	12	12	0	0.8%
Other Operating Costs/Expenses	7	7	(1)	-7.7%	14	15	(1)	-5.5%
<i>GSF Risk Premium</i>	2	2	0	2.6%	5	5	0	1.3%
<i>Others</i>	4	5	(1)	-12.6%	9	10	(1)	-8.8%
Total PMSO	25	24	2	6.6%	50	46	5	10.5%

The PMSO reached R\$ 25 million in 2Q20, registering an increase of 6.6% (R\$ 2 million) compared to the 2Q19. This result is basically explained by the increase in Personnel (R\$ 2 million), due to the increase in headcount and the effects of the collective bargaining agreement.

In 1H20, the PMSO registered an increase of 10.5% (R\$ 5 million), due to the same reason of the quarter.

Other operating costs and expenses

Other operating costs and expenses						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Costs with Infrastructure Construction	(29)	(1)	-	(36)	(1)	-
Private Pension Fund	(1)	(0)	48.9%	(2)	(1)	66.3%
Depreciation and Amortization	(27)	(27)	0.0%	(55)	(54)	0.1%
Total	(57)	(28)	101.7%	(92)	(56)	64.8%

Equity Income

Equity Income (R\$ Million)						
	2Q20	2Q19	Var. %	1H20	1H19	Var. %
Projects						
Barra Grande HPP	(7)	(3)	135.7%	(8)	0	-
Campos Novos HPP	35	36	-5.2%	69	67	3.3%
Foz do Chapecó HPP	41	32	29.8%	74	62	20.4%
Epasa TPP	17	25	-31.3%	35	47	-25.4%
Total	85	90	-5.1%	170	176	-3.0%

Note: Disclosure of interest in subsidiaries is made in accordance with IFRS 12 and CPC 45.

In 2Q20, the result of the Equity Income was R\$ 85 million, a reduction of 5.1% (R\$ 5 million). In 1H20, the result of the Equity Income was R\$ 170 million, a reduction of 3.0% (R\$ 6 million).

Equity Income (R\$ Million)						
BARRA GRANDE	2Q20	2Q19	Var. %	1H20	1H19	Var.%
Net Revenue	10	14	-29.2%	24	28	-15.7%
Operating Costs / Expenses	(11)	(12)	-7.2%	(19)	(18)	4.1%
Deprec. / Amortization	(3)	(3)	0.3%	(6)	(6)	-0.2%
Net Financial Result	(3)	(3)	-16.1%	(6)	(3)	84.9%
Income Tax	(0)	2	-	(0)	(0)	62.2%
Net Income	(7)	(3)	135.7%	(8)	0	-

Equity Income (R\$ Million)						
CAMPOS NOVOS	2Q20	2Q19	Var. %	1H20	1H19	Var.%
Net Revenue	85	89	-4.2%	163	156	4.7%
Operating Costs / Expenses	(25)	(23)	6.9%	(42)	(35)	22.3%
Deprec. / Amortization	(6)	(6)	5.8%	(12)	(12)	2.8%
Net Financial Result	(2)	(4)	-60.7%	(4)	(8)	-48.5%
Income Tax	(18)	(19)	-5.2%	(36)	(34)	3.1%
Net Income	35	36	-5.2%	69	67	3.3%

Equity Income (R\$ Million)						
FOZ DO CHAPECÓ	2Q20	2Q19	Var. %	1H20	1H19	Var.%
Net Revenue	117	111	5.4%	234	219	6.8%
Operating Costs / Expenses	(23)	(24)	-3.2%	(53)	(53)	-0.1%
Deprec. / Amortization	(16)	(16)	0.5%	(32)	(32)	0.9%
Net Financial Result	(16)	(23)	-32.4%	(37)	(41)	-7.9%
Income Tax	(21)	(16)	31.0%	(38)	(31)	22.6%
Net Income	41	32	29.8%	74	62	20.4%

Equity Income (R\$ Million)						
EPASA	2Q20	2Q19	Var. %	1H20	1H19	Var.%
Net Revenue	34	111	-68.9%	72	216	-66.5%
Operating Costs / Expenses	(8)	(74)	-88.7%	(18)	(145)	-87.3%
Deprec. / Amortization	(5)	(5)	0.1%	(9)	(9)	0.0%
Net Financial Result	(1)	(2)	-47.8%	(2)	(3)	-48.8%
Income Tax	(3)	(6)	-43.2%	(8)	(11)	-29.6%
Net Income	17	25	-31.3%	35	47	-25.4%

The main factors that explain these variations:

Barra Grande:

In 2Q20, the net revenue decreased 29.2% (R\$ 4 million), due to differences of the seasoning in the contracts. The operating costs had a decrease of 7.2% (R\$ 1 million). The financial result (net financial expense) remained stable compared to the last year.

No 1H20, the net revenue decreased 15.7% (R\$ 4 million), due to smaller volume of energy generated. The operating costs increased 4.1% (R\$ 1 million), due to higher short-term energy purchased. The financial result (net financial expense) presented an increase of 84.9% (R\$ 3 million), compared to 1H19, due to higher expenses with UBP (impacted by IGP-M)

Campos Novos:

In 2Q20, the net revenue decreased 4.2% (R\$ 4 million), especially due to the seasoning of the contracts. The operating cost increased 6.9% (R\$ 2 million), mainly due to higher short-term energy purchased. In the financial result (net financial expense), there was a reduction of 60.7%, because of fewer expenses with debt charges.

In 1H20, the net revenue increased 4.7% (R\$ 7 million), especially due to contract readjustments and seasoning. The operating cost increased 22.3% (R\$ 7 million), mainly due to higher short-term energy purchased. In the financial result (net financial expense), there was a reduction of 48.5% (R\$ 4 million), and, as well as in the quarter, there was a debt reduction favored by lower CDI and fewer expenses with debentures interest.

Foz do Chapecó:

In 2Q20, an increase of 5.4% in the net revenue, especially due to contract readjustments and seasoning. The operating cost presented a decrease of 3.2% (R\$ 1 million). In the financial result, there was a reduction of 32.4%, because of lower expenses with UBP, resulted from IGP-M and IPCA variations in the period, also fewer expenses with debt charges.

In 1H20, the net revenue increased 6.8% (R\$ 15 million), especially due to seasoning of the contracts and annual readjustment. The operating cost in the 1H20 remained stable compared to the 1H19 results. The financial result presented a reduction of 7.9% (R\$ 4 million) because of fewer expenses with debt charges.

Epasa:

In the 2Q20, there was lower energy generation, replicated in the net revenue and operating costs. In the financial result, a decrease of 47.8% (R\$ 1 million) because of fewer expenses with debt charges.

The result of the 1H20 was influenced the same factors.

EBITDA

In 2Q20, **EBITDA** was of R\$ 327 million, a decrease of 1.9% (R\$ 6 million), mainly due to the lower volume of energy generated, partially offset by contracts adjustments.

In 1H20, **EBITDA** was of R\$ 651 million, an increase of 2.0% (R\$ 13 million), mainly due to contracts adjustments, partially offset by the lower volume of energy generated.

Conciliation of Net Income and EBITDA (R\$ million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Net Income	217	208	4.2%	425	392	8.2%
Depreciation and Amortization	30	30	-0.5%	59	59	-0.2%
Financial Result	18	39	-54.8%	45	83	-46.1%
Income Tax /Social Contribution	63	57	10.9%	121	103	18.2%
EBITDA	327	334	-1.9%	651	638	2.0%

Financial Result

Financial Result (IFRS - R\$ Million)						
	2Q20	2Q19	Var.	1S20	1S19	Var.
Financial Revenues	7	13	-46.5%	18	23	-20.4%
Financial Expenses	(25)	(52)	-52.7%	(63)	(106)	-40.5%
Financial Result	(18)	(39)	-54.8%	(45)	(83)	-46.1%

In 2Q20, the financial result was a **net financial expense** of R\$ 18 million, a reduction of 54.8% (R\$ 21 million) compared to 2Q19. This variation was due to lower expenses with net debt (R\$ 16 million) and other items (R\$ 5 million).

In 1H20, the financial result was a **net financial expense** of R\$ 45 million, a reduction of 46.1% (R\$ 38 million), mainly due to lower expenses with net debt, reduction of 43.1% (R\$ 31 million) and other items (R\$ 7 million).

Net Income

In 2Q20, **net income** was R\$ 217 million, an increase of 4.2% (R\$ 9 million), compared to 2Q19.

In 1H20, **net income** was R\$ 425 million, an increase of 8.2% (R\$ 32 million), compared to 1H19.

5.4) CPFL Renováveis

Economic-Financial Performance

Consolidated Income Statement - CPFL RENOVÁVEIS (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	352	434	-19.0%	762	788	-3.3%
Net Operating Revenue	329	411	-19.9%	714	745	-4.2%
Cost of Electric Power	(38)	(66)	-43.3%	(110)	(120)	-8.3%
Operating Costs & Expenses	(252)	(256)	-1.6%	(504)	(505)	-0.2%
EBIT	40	89	-55.2%	100	121	-17.2%
EBITDA¹	203	251	-19.2%	425	443	-4.0%
Financial Income (Expense)	(79)	(111)	-28.6%	(152)	(223)	-31.8%
Income Before Taxes	(39)	(22)	80.0%	(52)	(102)	-49.0%
Net Income	(43)	(38)	11.0%	(72)	(132)	-45.1%

Note:

(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.

Operating Revenue

Renewable Generation Revenue by Source (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
SHPP	94	133	-29.1%	273	265	3.2%
Biomass	80	77	3.8%	128	108	18.9%
Wind/Holding	155	201	-23.0%	313	373	-16.2%
Total Net Operating Revenue	329	411	-19.9%	714	745	-4.2%

In 2Q20, **Gross Operating Revenue** reached R\$ 352 million, representing a decrease of 19.0% (R\$ 83 million). **Net Operating Revenue** reached R\$ 329 million, representing a decrease of 19.9% (R\$ 82 million). These variations are mainly explained by the following factors:

SHPPs Source:

- Decrease of R\$ 40 million in revenue from SHPPs, mainly due to the different strategy of seasonal adjustment of physical guarantee in the agreements between the periods, partially offset by price readjustments.

Biomass Source:

- Increase of R\$ 3 million in biomass revenue, remaining virtually stable between the periods.

Wind Source and Holding Company:

- Reduction of R\$ 45 million in revenue from wind farms and the Holding Company, mainly due to the lower generation of wind complexes.

In 1H20, **Gross Operating Revenue** reached R\$ 762 million, representing a decrease of 3.3% (R\$ 26 million). **Net Operating Revenue** reached R\$ 714 million, representing a decrease of 4.2% (R\$ 32 million). These variations are mainly explained by the following factors:

SHPPs Source:

- Increase of R\$ 8 million in revenue from SHPPs, mainly due to the readjustment of contracts and different strategy of seasonal adjustment of physical guarantee in the agreements between the periods, partially offset by the GSF exposure.

Biomass Source:

- Increase of R\$ 21 million in biomass revenue, mainly due to the strategy of contract seasonalization and the higher generation.

Wind Source and Holding Company:

- Reduction of R\$ 59 million in revenue from wind farms and the Holding Company, mainly due to the lower generation of wind complexes.

Cost of Electric Power

Cost of Electric Energy (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Cost of Electric Power Purchased for Resale	(12)	(42)	-72.3%	(58)	(71)	-18.3%
Charges for the Use of the Transmission and Distribution System	(26)	(25)	6.0%	(52)	(49)	6.4%
Financial Result	(38)	(66)	-43.3%	(110)	(120)	-8.3%

In 2Q20, **Cost of Electric Energy** totaled R\$ 38 million, representing a decrease of 43.3% (R\$ 29 million). Energy purchase cost totaled R\$ 12 million in 2Q20, a decrease of 72.3% (R\$ 30 million), mainly due to the lower energy volume purchased for SHPPs and wind farms. Cost of charges for the use of the system totaled R\$ 26 million in 2Q20, an increase of 6.0% (R\$ 1 million).

In 1H20, **Cost of Electric Energy** totaled R\$ 110 million, a decrease of 8.3% (R\$ 10 million).

PMSO

Reported PMSO (R\$ million)								
	2Q20	2Q19	Variation		1H20	1H19	Variação	
			R\$ MM	%			R\$ MM	%
Reported PMSO								
Personnel	(24)	(27)	3	-11.4%	(50)	(54)	4	-6.6%
Material	(3)	(4)	0	-7.2%	(8)	(8)	(1)	6.7%
Outsourced Services	(49)	(51)	2	-4.8%	(94)	(97)	3	-2.8%
Other Operating Costs/Expenses	(13)	(12)	(1)	6.1%	(26)	(25)	(1)	5.9%
Total Reported PMSO	(89)	(94)	5	-5.4%	(179)	(183)	4	-2.3%

PMSO reached R\$ 89 million in 2Q20, compared to R\$ 94 million in 2Q19, a decrease of 5.4% (R\$ 5 million). This variation is explained by the reduction in personnel costs, mainly reduction in the number of employees and the average cost per employee, due to the restructuring proposed by the Group.

In 1H20, PMSO reached R\$ 179 million, compared to R\$ 183 million in 1H19, a decrease of 2.3% (R\$ 4 million). This variation is mainly explained by the same factors that influenced the quarter.

Other operating costs and expenses

Other operating costs and expenses						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Depreciation and amortization	(123)	(122)	0.9%	(246)	(243)	1.3%
Amortization of Concession Intangible	(40)	(40)	0.0%	(80)	(80)	0.0%
Total	(163)	(162)	0.7%	(325)	(322)	1.0%

EBITDA

In 2Q20, **EBITDA** was of R\$ 203 million, compared to R\$ 251 million in 2Q19, a decrease of 19.2% (R\$ 48 million). This result is mainly due to the different strategy of seasonal adjustment of physical guarantee in the agreements in the SHPPs and lower generation in wind farms, partially offset by energy contract adjustments.

In 1H20, **EBITDA** was of R\$ 425 million, compared to R\$ 443 million in 1H19, a decrease of 4.0% (R\$ 18 million). This result is mainly due to the lower wind performance and the GSF, partially offset by the higher availability and contract adjustments.

EBITDA and Net Income conciliation (R\$ million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Net Income	(43)	(38)	11.0%	(72)	(132)	-45.1%
De preciation and Amortization	163	162	0.7%	325	322	1.0%
Financial Result	79	111	-28.6%	152	223	-31.8%
Income Tax / Social Contribution	3	17	-79.9%	20	29	-31.4%
EBITDA	203	251	-19.2%	425	443	-4.0%

Financial Result

Financial Result (R\$ Million)						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Revenues	23	50	-53.3%	51	99	-48.1%
Expenses	(103)	(161)	-36.3%	(203)	(322)	-36.8%
Financial Result	(79)	(111)	-28.6%	(152)	(223)	-31.8%

In 2Q20, financial result registered a net financial expense of R\$ 79 million, a decrease of 28.6% (R\$ 32 million). This variation is basically explained by the decrease of 26.6% (R\$ 27 million) in **expenses with the net debt** (debt charges, net of income from financial investments), due to the decrease in interest rates (CDI) and lower debt cost, and by the decrease of 48.8% (R\$ 5 million) in other items.

In 1H20, financial result registered a net financial expense of R\$ 152 million, a decrease of 31.8% (R\$ 71 million). This variation is basically explained by the decrease of 31.2% (R\$ 63 million) in **expenses with the net debt** (debt charges, net of income from financial investments), due to the decrease in interest rates (CDI) and lower debt cost, and by the decrease of 37.4% (R\$ 7 million) in other items.

Net Income

In 2Q20, **net loss** was of R\$ 43 million, compared to the net loss of R\$ 38 million in 2Q19, an increase of 11.0% (R\$ 5 million). This performance reflects the worsening in EBITDA, partially offset by the improvement of the financial result and of the income tax and social contribution item (the effective tax rate, that was 75.8% in 2Q19, went to 8.5% in 2Q20).

In 1H20, **net loss** was of R\$ 72 million, compared to the net loss of R\$ 132 million in 1H19, a decrease of 45.1%. This performance reflects the improvement in the financial result, partially offset by the worsening of the EBITDA.

6) ATTACHMENTS

6.1) Balance Sheet - Assets – CPFL Energia

(R\$ thousands)



	Consolidated		
ASSETS	06/30/2020	12/31/2019	06/30/2019
CURRENT			
Cash and Cash Equivalents	6,987,631	1,937,163	6,981,505
Bonds and securities	1,350,434	851,004	
Consumers, Concessionaries and Licensees	4,249,692	4,985,578	4,599,139
Dividend and Interest on Equity	152,063	100,297	94,353
Recoverable Taxes	513,885	419,126	405,457
Derivatives	1,389,686	281,326	204,125
Sectoral Financial Assets	808,650	1,093,588	1,193,246
Contractual Assets	24,927	24,387	26,502
Other assets	810,695	648,161	627,055
TOTAL CURRENT	16,287,663	10,340,630	14,132,373
NON-CURRENT			
Consumers, Concessionaries and Licensees	742,112	713,068	689,638
Judicial Deposits	774,370	757,370	889,207
Recoverable Taxes	411,972	472,123	422,337
Sectoral Financial Assets	82,864	2,748	179,944
Derivatives	1,533,646	369,767	377,061
Deferred Taxes	445,492	1,064,716	928,067
Concession Financial Assets	9,417,013	8,779,717	8,070,373
Investments at Cost	116,654	116,654	116,654
Other assets	721,542	736,019	719,417
Investments	1,029,549	997,997	1,038,754
Property, Plant and Equipment	8,880,619	9,083,710	9,225,343
Contractual Assets	1,446,974	1,322,822	1,344,423
Intangible Assets	9,116,917	9,320,953	9,298,719
TOTAL NON-CURRENT	34,719,722	33,737,664	33,299,936
TOTAL ASSETS	51,007,386	44,078,293	47,432,309

6.2) Balance Sheet - Liabilities – CPFL Energia

(R\$ thousands)



	Consolidated		
LIABILITIES AND SHAREHOLDERS' EQUITY	06/30/2020	12/31/2019	06/30/2019
CURRENT			
Trade payables	2.735.037	3.260.180	2.725.984
Borrowings	4.925.936	2.776.193	2.566.905
Debentures	1.455.664	682.582	652.074
Private pension plan	141.194	224.851	133.557
Regulatory liabilities	179.829	232.251	161.283
Taxes, Fees and Contributions	1.145.691	960.497	856.520
Dividends	689.024	668.859	532.295
Estimated payroll	157.962	125.057	156.881
Derivatives	488	29.400	6.883
Use of public asset	12.573	11.771	6.104
Other payables	1.547.481	1.094.269	1.137.104
TOTAL CURRENT	12.990.880	10.065.908	8.935.592
NON-CURRENT			
Trade payables	373.831	359.944	330.302
Borrowings	10.847.458	7.587.102	8.549.968
Debentures	6.485.052	7.863.696	8.263.067
Private pension plan	1.861.490	2.153.327	1.107.738
Taxes, Fees and Contributions	158.303	157.003	4.353
Deferred tax liabilities	1.157.619	1.048.069	1.095.818
Provision for tax, civil and labor risks	543.730	600.775	978.819
Loans with Controlled and Controlling Companies	851.088	-	-
Derivatives	-	6.157	14.070
Sectoral financial liabilities	58.150	102.561	120.373
Use of public asset	93.994	91.181	96.647
Other payables	632.948	759.331	634.525
TOTAL NON-CURRENT	23.063.662	20.729.147	21.195.681
SHAREHOLDERS' EQUITY			
Issued capital	9.388.080	9.388.081	9.389.657
Capital Reserves	(1.642.743)	(1.640.962)	393.959
Legal Reserve	1.036.125	1.036.125	900.992
Statutory reserve - working capital improvement	4.046.305	4.046.305	3.527.510
Dividend	1.433.295	1.433.295	-
Accumulated comprehensive income	(938.114)	(1.268.465)	(396.793)
Retained earnings	1.354.805	-	1.196.597
	14.677.754	12.994.381	15.011.923
Equity attributable to noncontrolling interests	275.090	288.857	2.289.113
TOTAL SHAREHOLDERS' EQUITY	14.952.844	13.283.238	17.301.036
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	51.007.386	44.078.293	47.432.309

6.3) Income Statement – CPFL Energia

(R\$ thousands)



	Consolidated					
	2Q20	2Q19	Variation	1H20	1H19	Variation
OPERATING REVENUES						
Electricity Sales to Final Customers	6,597,347	7,527,618	-12.4%	14,747,821	15,537,512	-5.1%
Electricity Sales to Distributors	1,070,173	1,316,478	-18.7%	2,197,668	2,668,969	-17.7%
Revenue from building the infrastructure	603,471	511,367	18.0%	1,099,275	926,580	18.6%
Update of concession's financial asset	(61,221)	108,297	-	77,351	172,787	-55.2%
Sectorial financial assets and liabilities	290,800	21,055	1281.2%	(172,543)	(302,825)	-43.0%
Other Operating Revenues	1,345,971	1,319,216	2.0%	2,775,697	2,588,763	7.2%
	9,846,540	10,804,030	-8.9%	20,725,268	21,591,785	-4.0%
DEDUCTIONS FROM OPERATING REVENUES	(3,284,895)	(3,767,724)	-12.8%	(6,881,357)	(7,428,033)	-7.4%
NET OPERATING REVENUES	6,561,645	7,036,306	-6.7%	13,843,911	14,163,752	-2.3%
COST OF ELECTRIC ENERGY SERVICES						
Electricity Purchased for Resale	(3,544,665)	(3,606,485)	-1.7%	(7,248,618)	(7,559,027)	-4.1%
Electricity Network Usage Charges	(478,525)	(662,126)	-27.7%	(1,115,991)	(1,193,346)	-6.5%
	(4,023,190)	(4,268,610)	-5.7%	(8,364,609)	(8,752,373)	-4.4%
OPERATING COSTS AND EXPENSES						
Personnel	(357,443)	(365,768)	-2.3%	(711,662)	(713,786)	-0.3%
Material	(58,786)	(66,140)	-11.1%	(132,894)	(132,997)	-0.1%
Outsourced Services	(150,919)	(178,448)	-15.4%	(321,705)	(343,458)	-6.3%
Other Operating Costs/Expenses	(205,017)	(203,162)	0.9%	(395,313)	(378,422)	4.5%
<i>Allowance for Doubtful Accounts</i>	<i>(80,128)</i>	<i>(65,236)</i>	<i>22.8%</i>	<i>(137,972)</i>	<i>(133,850)</i>	<i>3.1%</i>
<i>Legal and judicial expenses</i>	<i>(26,252)</i>	<i>(38,937)</i>	<i>-32.6%</i>	<i>(63,762)</i>	<i>(70,975)</i>	<i>-10.2%</i>
<i>Others</i>	<i>(98,637)</i>	<i>(98,989)</i>	<i>-0.4%</i>	<i>(193,580)</i>	<i>(173,596)</i>	<i>11.5%</i>
Cost of building the infrastructure	(600,507)	(511,323)	17.4%	(1,095,597)	(926,534)	18.2%
Employee Pension Plans	(42,813)	(28,151)	52.1%	(88,252)	(56,302)	56.7%
Depreciation and Amortization	(360,404)	(336,070)	7.2%	(715,121)	(668,401)	7.0%
Amortization of Concession's Intangible	(72,109)	(72,109)	0.0%	(144,219)	(144,219)	0.0%
	(1,847,997)	(1,761,172)	4.9%	(3,604,763)	(3,364,118)	7.2%
EBITDA¹	1,208,150	1,504,503	-19.7%	2,904,363	3,035,600	-4.3%
INCOME FROM ELECTRIC ENERGY SERVICE	690,458	1,006,524	-31.4%	1,874,539	2,047,260	-8.4%
FINANCIAL REVENUES (EXPENSES)						
Financial Revenues	182,483	231,337	-21.1%	620,775	437,932	41.8%
Financial Expenses	(254,742)	(442,661)	-42.5%	(572,027)	(869,296)	-34.2%
	(72,259)	(211,324)	-65.8%	48,748	(431,364)	-
EQUITY ACCOUNTING						
Equity Accounting	85,179	89,799	-5.1%	170,484	175,719	-3.0%
Assets Surplus Value Amortization	(145)	(145)	0.0%	(290)	(290)	0.0%
	85,034	89,654	-5.2%	170,194	175,430	-3.0%
INCOME BEFORE TAXES	703,233	884,854	-20.5%	2,093,481	1,791,326	16.9%
Social Contribution	(65,122)	(84,028)	-22.5%	(195,031)	(174,078)	12.0%
Income Tax	(175,903)	(227,153)	-22.6%	(532,117)	(473,217)	12.4%
NET INCOME	462,207	573,673	-19.4%	1,366,333	1,144,031	19.4%
Controlling Shareholders' Interest	451,093	580,629	-22.3%	1,341,134	1,184,079	13.3%
Non-Controlling Shareholders' Interest	11,114	(6,956)	-	25,199	(40,049)	-

Note:

(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Instruction no. 527/12.

6.4) Income Statement by business segment

(R\$ thousands)

Income Statement by business segment - CPFL Energia (R\$ million)								
	Distribution	Conventional Generation	Renewable Generation	Commercialization	Services	Others	Eliminations	Total
2Q20								
Net operating revenue	5,394	322	329	710	175	0	(368)	6,562
Operating costs and expenses	(4,772)	(80)	(127)	(689)	(130)	(9)	368	(5,439)
Depreciation e amortization	(217)	(30)	(163)	(0)	(7)	(16)	-	(433)
Income from electric energy service	405	213	40	20	38	(25)	0	690
Equity accounting	-	85	-	-	-	-	-	85
EBITDA	622	327	203	20	45	(9)	-	1,208
Financial result	19	(18)	(79)	2	0	4	-	(72)
Income (loss) before taxes	424	280	(39)	22	38	(21)	-	703
Income tax and social contribution	(155)	(63)	(3)	(7)	(10)	(1)	-	(241)
Net income (loss)	269	217	(43)	14	28	(23)	-	462
2Q19								
Net operating revenue	5,766	298	411	813	158	0	(410)	7,036
Operating costs and expenses	(4,893)	(54)	(160)	(791)	(119)	(14)	410	(5,622)
Depreciation e amortization	(194)	(30)	(162)	(0)	(6)	(16)	-	(408)
Income from electric energy service	679	214	89	21	33	(30)	(0)	1,007
Equity accounting	-	90	-	-	-	-	-	90
EBITDA	873	334	251	22	39	(14)	-	1,505
Financial result	(72)	(39)	(111)	(1)	0	11	-	(211)
Income (loss) before taxes	607	265	(22)	20	33	(19)	-	885
Income tax and social contribution	(220)	(57)	(17)	(7)	(10)	(0)	-	(311)
Net income (loss)	387	208	(38)	13	23	(19)	-	574
Variation								
Net operating revenue	-6.5%	8.2%	-19.9%	-12.7%	10.3%	5069.1%	-10.2%	-6.7%
Operating costs and expenses	-2.5%	48.9%	-21.1%	-12.8%	8.9%	-35.1%	-10.2%	-3.3%
Depreciation e amortization	11.6%	0.0%	0.7%	-3.4%	11.0%	0.3%	-	6.0%
Income from electric energy service	-40.3%	-0.8%	-55.2%	-6.7%	15.5%	-16.5%	-	-31.4%
Equity accounting	-	-5.1%	-	-	-	-	-	-5.1%
EBITDA	-28.7%	-1.9%	-19.2%	-6.6%	14.8%	-35.2%	-	-19.7%
Financial result	-126.2%	-54.8%	-28.6%	-	4.7%	-66.4%	-	-65.8%
Income (loss) before taxes	-30.2%	5.6%	80.0%	8.3%	15.4%	13.6%	-	-20.5%
Income tax and social contribution	-29.6%	10.9%	-79.9%	9.2%	3.5%	362.4%	-	-22.5%
Net income (loss)	-30.5%	4.2%	11.0%	7.8%	20.6%	19.2%	-	-19.4%
Income Statement by business segment - CPFL Energia (R\$ million)								
	Distribution	Conventional Generation	Renewable Generation	Commercialization	Services	Others	Eliminations	Total
1H20								
Net operating revenue	11,496	622	714	1,428	327	(4)	(739)	13,844
Operating costs and expenses	(9,737)	(142)	(288)	(1,407)	(254)	(20)	739	(11,110)
Depreciation e amortization	(428)	(60)	(325)	(1)	(14)	(32)	-	(860)
Income from electric energy service	1,331	421	100	19	59	(56)	(0)	1,875
Equity accounting	-	170	-	-	-	-	-	170
EBITDA	1,759	651	425	21	73	(24)	-	2,904
Financial result	225	(45)	(152)	11	1	9	-	49
Income (loss) before taxes	1,556	546	(52)	30	60	(47)	-	2,093
Income tax and social contribution	(559)	(121)	(20)	(10)	(16)	(1)	-	(727)
Net income (loss)	997	425	(72)	20	44	(48)	-	1,366
1H19								
Net operating revenue	11,703	567	745	1,573	304	0	(728)	14,164
Operating costs and expenses	(9,850)	(105)	(303)	(1,520)	(229)	(25)	728	(11,304)
Depreciation e amortization	(386)	(60)	(322)	(1)	(12)	(31)	-	(813)
Income from electric energy service	1,467	403	121	51	62	(56)	0	2,047
Equity accounting	-	176	-	-	-	-	-	176
EBITDA	1,853	638	443	52	75	(25)	-	3,036
Financial result	(131)	(83)	(223)	(9)	1	14	-	(431)
Income (loss) before taxes	1,335	495	(102)	42	63	(43)	-	1,791
Income tax and social contribution	(483)	(103)	(29)	(14)	(17)	(0)	-	(647)
Net income (loss)	852	392	(132)	28	46	(43)	-	1,144
Variation								
Net operating revenue	-1.8%	9.7%	-4.2%	-9.2%	7.5%	-	1.4%	-2.3%
Operating costs and expenses	-1.1%	35.1%	-4.7%	-7.5%	10.6%	-18.5%	1.4%	-1.7%
Depreciation e amortization	10.7%	0.1%	1.0%	35.2%	13.5%	0.3%	-	5.7%
Income from electric energy service	-9.2%	4.5%	-17.2%	-62.3%	-5.2%	-1.0%	-	-8.4%
Equity accounting	-	-3.0%	-	-	-	-	-	-3.0%
EBITDA	-5.1%	2.0%	-4.0%	-60.4%	-2.2%	-2.6%	-	-4.3%
Financial result	-	-46.1%	-31.8%	-	34.7%	-35.7%	-	-
Income (loss) before taxes	16.5%	10.3%	-49.0%	-28.7%	-4.7%	10.2%	-	16.9%
Income tax and social contribution	15.6%	18.2%	-31.4%	-28.7%	-7.5%	132.9%	-	12.3%
Net income (loss)	17.0%	8.2%	-45.1%	-28.7%	-3.7%	10.9%	-	19.4%

6.5) Cash Flow – CPFL Energia

(R\$ thousands)



Consolidated		
	2Q20	Last 12 months
Beginning Balance	5,569,505	6,981,505
Net Income Before Taxes	703,233	4,288,448
Depreciation and Amortization	432,515	1,727,773
Interest on Debts and Monetary and Foreign Exchange Restatements	261,792	558,132
Consumers, Concessionaries and Licensees	490,556	59,484
Sectoral Financial Assets	14,238	582,838
Accounts Receivable - Resources Provided by the CDE/CCEE	(7,629)	(2,492)
Suppliers	1,578	52,581
Sectoral Financial Liabilities	(305,038)	(110,659)
Accounts Payable - CDE	16,215	(52,616)
Interest on Debts and Debentures Paid	(235,831)	(969,623)
Income Tax and Social Contribution Paid	(42,832)	(773,557)
Others	666,526	633,517
	1,292,090	1,705,377
Total Operating Activities	1,995,323	5,993,825
Investment Activities		
Purchases of Contract Asset, Property, Plant and Equipment and Intangible Assets	(647,526)	(2,460,121)
Securities, Pledges and Restricted Deposits	(1,314,821)	(1,300,304)
Others	(3,347)	(3,347)
Total Investment Activities	(1,965,694)	(3,763,772)
Financing Activities		
Public Offering Costs	-	(2,386)
Capital increase in existing equity interest	-	(4,107,555)
Loans and Debentures	1,798,568	5,490,403
Principal Amortization of Loans and Debentures, Net of Derivatives	(1,245,289)	(3,924,325)
Dividend and Interest on Equity Paid	(13,153)	(534,249)
Intragroup Loans with Subsidiaries	850,000	850,000
Amortization of Intragroup Loans with Subsidiaries	(1,630)	4,183
Others	0	0
Total Financing Activities	1,388,497	(2,223,929)
Cash Flow Generation	1,418,126	6,126
Ending Balance - 06/30/2020	6,987,631	6,987,631

6.6) Income Statement – Conventional Generation Segment

(R\$ thousands)



Conventional Generation						
	2Q20	2Q19	Var.	1H20	1H19	Var.
OPERATING REVENUE						
Electricity Sales to Distributors	304.676	311.394	-2,2%	614.550	599.668	2,5%
Revenue from construction of concession infrastructure	32.046	582	5407,5%	39.871	637	6163,7%
Other Operating Revenues	19.749	19.958	-1,0%	34.232	32.446	5,5%
	356.471	331.934	7,4%	688.653	632.750	8,8%
DEDUCTIONS FROM OPERATING REVENUE	(34.329)	(34.279)	0,1%	(66.566)	(65.635)	1,4%
NET OPERATING REVENUE	322.142	297.655	8,2%	622.087	567.115	9,7%
COST OF ELECTRIC ENERGY SERVICES						
Electricity Purchased for Resale	(17.411)	(21.921)	-20,6%	(39.371)	(44.332)	-11,2%
Electricity Network Usage Charges	(7.271)	(6.873)	5,8%	(14.522)	(13.662)	6,3%
	(24.682)	(28.794)	-14,3%	(53.893)	(57.994)	-7,1%
OPERATING COSTS AND EXPENSES						
Personnel	(11.110)	(8.837)	25,7%	(22.070)	(16.716)	32,0%
Material	(1.020)	(800)	27,5%	(1.844)	(1.689)	9,2%
Outsourced Services	(6.342)	(6.698)	-5,3%	(12.430)	(12.335)	0,8%
Other Operating Costs/Expenses	(6.893)	(7.469)	-7,7%	(14.011)	(14.829)	-5,5%
Costs of infrastructure construction	(29.082)	(537)	5311,5%	(36.194)	(590)	6033,6%
Employee Pension Plans	(705)	(473)	48,9%	(1.573)	(946)	66,3%
Depreciation and Amortization	(27.267)	(27.278)	0,0%	(54.539)	(54.489)	0,1%
Amortization of Concession's Intangible	(2.492)	(2.492)	0,0%	(4.983)	(4.983)	0,0%
Amortization of Concession Goodwill	-	-	0,0%	-	-	0,0%
	(84.909)	(54.585)	55,6%	(147.644)	(106.577)	38,5%
EBITDA¹	327.489	333.845	-1,9%	650.556	637.736	2,0%
EBIT	212.551	214.277	-0,8%	420.550	402.544	4,5%
FINANCIAL INCOME (EXPENSE)						
Financial Income	7.028	13.142	-46,5%	18.487	23.229	-20,4%
Financial Expenses	(24.613)	(52.024)	-52,7%	(63.201)	(106.150)	-40,5%
	(17.585)	(38.881)	-54,8%	(44.714)	(82.921)	-46,1%
EQUITY ACCOUNTING						
Equity Accounting	85.179	89.799	-5,1%	170.484	175.719	-3,0%
Assets Surplus Value Amortization	(145)	(145)	0,0%	(290)	(290)	0,0%
	85.034	89.654	-5,2%	170.194	175.430	-3,0%
INCOME BEFORE TAXES ON INCOME	280.000	265.049	5,6%	546.029	495.052	10,3%
Social Contribution	(16.798)	(15.183)	10,6%	(32.243)	(27.296)	18,1%
Income Tax	(46.518)	(41.906)	11,0%	(89.195)	(75.427)	18,3%
NET INCOME	216.684	207.961	4,2%	424.591	392.329	8,2%

Note:

(1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

6.7) Income Statement – CPFL Renováveis

(R\$ thousands)



	Consolidated					
	2Q20	2Q19	Variation	1H20	1H19	Variation
OPERATING REVENUES						
Electricity Sales to Final Customers	5,762	5,596	3.0%	11,950	11,420	4.6%
Electricity Sales to Distributors	347,260	428,303	-18.9%	749,048	773,279	-3.1%
Other Operating Revenues	(1,380)	391	-453.2%	742	3,202	-76.8%
	351,643	434,289	-19.0%	761,741	787,900	-3.3%
DEDUCTIONS FROM OPERATING REVENUES	(22,354)	(22,993)	-2.8%	(47,909)	(42,415)	13.0%
NET OPERATING REVENUES	329,289	411,297	-19.9%	713,831	745,486	-4.2%
COST OF ELECTRIC ENERGY SERVICES						
Electricity Purchased for Resale	(11,565)	(41,776)	-72.3%	(57,994)	(71,020)	-18.3%
Electricity Network Usage Charges	(26,035)	(24,563)	6.0%	(51,699)	(48,590)	6.4%
	(37,600)	(66,339)	-43.3%	(109,693)	(119,610)	-8.3%
OPERATING COSTS AND EXPENSES						
Personnel	(24,058)	(27,145)	-11.4%	(50,008)	(53,519)	-6.6%
Material	5,901	(3,706)	-259.2%	(2,237)	(7,892)	-71.7%
Outsourced Services	(48,744)	(51,204)	-4.8%	(94,004)	(96,675)	-2.8%
Other Operating Costs/Expenses	(22,099)	(12,019)	83.9%	(32,502)	(24,866)	30.7%
Depreciation and Amortization	(122,898)	(121,805)	0.9%	(245,747)	(242,579)	1.3%
Amortization of Concession's Intangible	(39,807)	(39,807)	0.0%	(79,614)	(79,614)	0.0%
	(251,704)	(255,686)	-1.6%	(504,112)	(505,144)	-0.2%
EBITDA¹	202,690	250,884	-19.2%	425,387	442,924	-4.0%
INCOME FROM ELECTRIC ENERGY SERVICE	39,985	89,272	-55.2%	100,026	120,732	-17.2%
FINANCIAL REVENUES (EXPENSES)						
Financial Revenues	23,454	50,196	-53.3%	51,247	98,787	-48.1%
Financial Expenses	(102,854)	(161,370)	-36.3%	(203,356)	(321,666)	-36.8%
	(79,400)	(111,174)	-28.6%	(152,109)	(222,880)	-31.8%
INCOME BEFORE TAXES ON INCOME	(39,415)	(21,902)	80.0%	(52,083)	(102,148)	-49.0%
Social Contribution	(2,494)	(5,474)	-54.4%	(8,671)	(9,751)	-
Income Tax	(840)	(11,122)	-92.4%	(11,476)	(19,622)	-
NET INCOME	(42,748)	(38,498)	11.0%	(72,230)	(131,521)	-45.1%

Note:

(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Instruction no. 527/12.

6.8) Income Statement – Distribution Segment

(R\$ thousand)



Consolidated						
	2Q20	2Q19	Variation	1H20	1H19	Variation
OPERATING REVENUE						
Electricity Sales to Final Customers	6,074,853	6,989,937	-13.1%	13,673,910	14,496,462	-5.7%
Electricity Sales to Distributors	353,393	479,891	-26.4%	765,006	1,040,005	-26.4%
Revenue from building the infrastructure	571,425	510,785	11.9%	1,059,403	925,944	14.4%
Adjustments to the concession 's financial asset	(61,221)	108,297	-	77,351	172,787	-55.2%
Sectoral financial assets and liabilities	290,800	21,055	-	(172,543)	(302,825)	-43.0%
Other Operating Revenues	1,297,471	1,266,397	2.5%	2,672,895	2,490,183	7.3%
	8,526,721	9,376,362	-9.1%	18,076,021	18,822,556	-4.0%
DEDUCTIONS FROM OPERATING REVENUE	(3,132,804)	(3,609,963)	-13.2%	(6,579,603)	(7,119,930)	-7.6%
NET OPERATING REVENUE	5,393,916	5,766,399	-6.5%	11,496,419	11,702,625	-1.8%
COST OF ELECTRIC ENERGY SERVICES						
Electricity Purchased for Resale	(3,045,039)	(3,027,897)	0.6%	(6,221,175)	(6,398,131)	-2.8%
Electricity Network Usage Charges	(452,945)	(637,948)	-29.0%	(1,064,833)	(1,144,915)	-7.0%
	(3,497,983)	(3,665,844)	-4.6%	(7,286,007)	(7,543,046)	-3.4%
OPERATING COSTS AND EXPENSES						
Personnel	(231,246)	(242,327)	-4.6%	(460,154)	(468,674)	-1.8%
Material	(43,912)	(44,492)	-1.3%	(88,737)	(90,202)	-1.6%
Outsourced Services	(207,687)	(219,825)	-5.5%	(407,891)	(426,514)	-4.4%
Other Operating Costs/Expenses	(177,263)	(182,077)	-2.6%	(348,452)	(339,936)	2.5%
Allowance for Doubtful Accounts	(79,289)	(64,309)	23.3%	(137,183)	(132,433)	3.6%
Legal and Judicial Expenses	(27,781)	(37,968)	-26.8%	(61,269)	(69,004)	-11.2%
Others	(70,194)	(79,800)	-12.0%	(150,000)	(138,499)	8.3%
Cost of building the infrastructure	(571,425)	(510,785)	11.9%	(1,059,403)	(925,944)	14.4%
Employee Pension Plans	(42,108)	(27,678)	52.1%	(86,679)	(55,356)	56.6%
Depreciation and Amortization	(202,805)	(180,264)	12.5%	(399,559)	(358,135)	11.6%
Amortization of Concession's Intangible	(14,133)	(14,133)	-	(28,266)	(28,266)	-
	(1,490,578)	(1,421,581)	4.9%	(2,879,140)	(2,693,025)	6.9%
EBITDA¹	622,293	873,370	-28.7%	1,759,096	1,852,955	-5.1%
EBIT	405,355	678,973	-40.3%	1,331,272	1,466,554	-9.2%
FINANCIAL INCOME (EXPENSE)						
Financial Income	142,050	147,983	-4.0%	529,683	293,158	80.7%
Financial Expenses	(123,318)	(219,612)	-43.8%	(304,947)	(424,319)	-28.1%
Interest on Equity	18,732	(71,630)	-	224,736	(131,161)	-
	18,732	(71,630)	-	224,736	(131,161)	-
INCOME BEFORE TAXES ON INCOME	424,087	607,344	-30.2%	1,556,008	1,335,393	16.5%
Social Contribution	(41,242)	(59,250)	-30.4%	(147,991)	(129,701)	14.1%
Income Tax	(113,880)	(161,054)	-29.3%	(410,747)	(353,572)	16.2%
NET INCOME	268,966	387,039	-30.5%	997,270	852,120	17.0%

Note:

(1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

6.9) Economic-Financial performance by Distributor

(R\$ thousand)



CPFL PAULISTA						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	3,784,858	4,112,125	-8.0%	7,860,785	8,094,519	-2.9%
Net Operating Revenue	2,447,372	2,561,594	-4.5%	5,083,610	5,087,160	-0.1%
Cost of Electric Power	(1,640,300)	(1,676,475)	-2.2%	(3,345,345)	(3,378,361)	-1.0%
Operating Costs & Expenses	(598,954)	(570,059)	5.1%	(1,143,540)	(1,083,029)	5.6%
EBIT	208,118	315,060	-33.9%	594,725	625,770	-5.0%
EBITDA⁽¹⁾	281,342	380,118	-26.0%	738,480	754,368	-2.1%
Financial Income (Expense)	35,323	(20,959)	-	126,950	(39,608)	-
Income Before Taxes	243,441	294,101	-17.2%	721,675	586,162	23.1%
Net Income	156,934	188,854	-16.9%	465,593	376,319	23.7%

CPFL PIRATININGA						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	1,537,028	1,702,178	-9.7%	3,240,128	3,494,537	-7.3%
Net Operating Revenue	966,775	1,017,361	-5.0%	2,060,159	2,114,980	-2.6%
Cost of Electric Power	(695,408)	(696,875)	-0.2%	(1,433,697)	(1,457,217)	-1.6%
Operating Costs & Expenses	(196,297)	(227,098)	-13.6%	(394,894)	(448,225)	-11.9%
EBIT	75,070	93,388	-19.6%	231,567	209,539	10.5%
EBITDA⁽¹⁾	104,622	120,469	-13.2%	289,644	263,529	9.9%
Financial Income (Expense)	67	(12,649)	-	46,620	(22,597)	-
Income Before Taxes	75,137	80,739	-6.9%	278,187	186,942	48.8%
Net Income	47,390	51,348	-7.7%	178,545	118,839	50.2%

RGE						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	2,781,051	3,124,003	-11.0%	6,115,935	6,378,523	-4.1%
Net Operating Revenue	1,680,624	1,900,802	-11.6%	3,749,426	3,901,464	-3.9%
Cost of Electric Power	(1,001,633)	(1,130,266)	-11.4%	(2,176,886)	(2,375,887)	-8.4%
Operating Costs & Expenses	(584,451)	(536,498)	8.9%	(1,138,811)	(998,875)	14.0%
EBIT	94,540	234,038	-59.6%	433,730	526,703	-17.7%
EBITDA⁽¹⁾	194,814	324,076	-39.9%	632,189	706,257	-10.5%
Financial Income (Expense)	(16,483)	(34,345)	-	45,942	(61,939)	-
Income Before Taxes	78,058	199,693	-60.9%	479,671	464,764	3.2%
Net Income	47,005	125,937	-62.7%	304,344	294,239	3.4%

CPFL SANTA CRUZ						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Gross Operating Revenue	423,784	438,055	-3.3%	859,173	854,977	0.5%
Net Operating Revenue	299,146	286,641	4.4%	603,224	599,020	0.7%
Cost of Electric Power	(160,642)	(162,228)	-1.0%	(330,079)	(331,582)	-0.5%
Operating Costs & Expenses	(110,876)	(87,925)	26.1%	(201,895)	(162,897)	23.9%
EBIT	27,627	36,488	-24.3%	71,250	104,542	-31.8%
EBITDA⁽¹⁾	41,515	48,707	-14.8%	98,783	128,801	-23.3%
Financial Income (Expense)	(174)	(3,677)	-	5,225	(7,017)	-
Income Before Taxes	27,452	32,810	-16.3%	76,474	97,525	-21.6%
Net Income	17,636	20,900	-15.6%	48,789	62,723	-22.2%

Note:

- (1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

6.10) Sales within the Concession Area by Distributor

(In GWh)



CPFL Paulista						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	2,320	2,349	-1.2%	4,885	5,003	-2.4%
Industrial	2,237	2,744	-18.5%	4,891	5,417	-9.7%
Commercial	1,131	1,432	-21.0%	2,649	2,980	-11.1%
Others	1,061	1,090	-2.7%	2,141	2,194	-2.4%
Total	6,750	7,615	-11.4%	14,566	15,594	-6.6%

CPFL Piratininga						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	979	967	1.2%	2,039	2,101	-3.0%
Industrial	1,359	1,569	-13.4%	2,865	3,072	-6.7%
Commercial	527	636	-17.1%	1,215	1,333	-8.9%
Others	311	325	-4.3%	638	658	-3.0%
Total	3,175	3,496	-9.2%	6,758	7,164	-5.7%

RGE						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	1,344	1,286	4.4%	2,948	2,880	2.4%
Industrial	1,305	1,655	-21.2%	2,738	3,156	-13.2%
Commercial	525	634	-17.3%	1,254	1,381	-9.3%
Others	1,141	1,207	-5.5%	2,659	2,670	-0.4%
Total	4,314	4,783	-9.8%	9,599	10,087	-4.8%

CPFL Santa Cruz						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	207	199	4.0%	421	420	0.3%
Industrial	229	267	-14.3%	497	533	-6.8%
Commercial	76	90	-15.9%	173	192	-9.8%
Others	203	176	15.8%	382	366	4.5%
Total	716	732	-2.3%	1,474	1,511	-2.5%

6.11) Sales to the Captive Market by Distributor

(in GWh)



CPFL Paulista						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	2,320	2,349	-1.2%	4,885	5,003	-2.4%
Industrial	417	590	-29.2%	951	1,181	-19.5%
Commercial	797	1,042	-23.6%	1,898	2,193	-13.4%
Others	1,010	1,035	-2.5%	2,037	2,104	-3.2%
Total	4,544	5,016	-9.4%	9,771	10,481	-6.8%

CPFL Piratininga						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	979	967	1.2%	2,039	2,101	-3.0%
Industrial	169	255	-33.6%	387	514	-24.6%
Commercial	349	446	-21.7%	824	953	-13.5%
Others	238	280	-14.9%	489	569	-14.0%
Total	1,735	1,947	-10.9%	3,740	4,137	-9.6%

RGE						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	1,344	1,286	4.4%	2,948	2,880	2.4%
Industrial	309	483	-36.1%	695	939	-25.9%
Commercial	418	536	-22.0%	1,019	1,182	-13.8%
Others	1,132	1,198	-5.5%	2,643	2,654	-0.4%
Total	3,202	3,503	-8.6%	7,305	7,654	-4.6%

CPFL Santa Cruz						
	2Q20	2Q19	Var.	1H20	1H19	Var.
Residential	207	199	4.0%	421	420	0.3%
Industrial	63	97	-35.4%	149	194	-22.8%
Commercial	66	84	-21.4%	152	178	-14.4%
Others	203	175	15.8%	381	365	4.5%
Total	538	555	-3.0%	1,104	1,157	-4.5%

6.12) Information on Interest in Companies

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	4.615	30 years	November 2027
Companhia Piratininga de Força e Luz ("CPFL Piratininga")	Publicly-held corporation	Direct 100%	Interior and coast of São Paulo	27	1.801	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	2.935	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	468	30 years	July 2045

Note:

- (a) On December 31, 2018, was approved the grouping of the concessions of the distribution companies RGE Sul Distribuidora de Energia S.A. ("RGE Sul") and Rio Grande Energia S.A. ("RGE"), considering RGE Sul as the Merging Company and RGE as the Merged Company;

Energy generation (conventional and renewable sources)	Company Type	Equity Interest	Location (State)	Number of plants / type of energy	Installed capacity	
					Total	CPFL participation
CPFL Geração de Energia S.A. ("CPFL Geração")	Publicly-quoted corporation	Direct 100%	São Paulo and Goiás	3 Hydroelectric (b)	1.295	678
CERAN - Companhia Energética Rio das Antas ("CERAN")	Private corporation	Indirect 65%	Rio Grande do Sul	3 Hydroelectric	360	234
Foz do Chapecó Energia S.A. ("Foz do Chapecó")	Private corporation	Indirect 51% (c)	Santa Catarina and Rio Grande do Sul	1 Hydroelectric	855	436
Campos Novos Energia S.A. ("ENERCAN")	Private corporation	Indirect 48.72%	Santa Catarina	1 Hydroelectric	880	429
BAESA - Energética Barra Grande S.A. ("BAESA")	Private corporation	Indirect 25.01%	Santa Catarina and Rio Grande do Sul	1 Hydroelectric	690	173
Centrais Elétricas da Paraíba S.A. ("EPASA")	Private corporation	Indirect 53.34%	Paraíba	2 Thermoelectric	342	182
Paulista Lajeado Energia S.A. ("Paulista Lajeado")	Private corporation	Indirect 59.93% (d)	Tocantins	1 Hydroelectric	903	38
CPFL Energias Renováveis S.A. ("CPFL Renováveis")	Publicly-quoted corporation	Direct and Indirect 99.94%	See chapter 2.2.2	See chapter 2.2.2	See chapter 2.2.2	See chapter 2.2.2
CPFL Centrais Geradoras Ltda. ("CPFL Centrais Geradoras")	Limited company	Direct 100%	São Paulo and Minas Gerais	6 MHPPs	4	4

Transmission	Company Type	Core activity	Equity Interest
CPFL Transmissão Piracicaba S.A. ("CPFL Piracicaba")	Private corporation	Electric energy transmission services	Indirect 100%
CPFL Transmissão Morro Agudo S.A. ("CPFL Morro Agudo")	Private corporation	Electric energy transmission services	Indirect 100%
CPFL Transmissão Maracanaú S.A. ("CPFL Maracanaú")	Private corporation	Electric energy transmission services	Indirect 100%
CPFL Transmissão Sul I S.A. ("CPFL Sul I")	Private corporation	Electric energy transmission services	Indirect 100%
CPFL Transmissão Sul II S.A. ("CPFL Sul II")	Private corporation	Electric energy transmission services	Indirect 100%

Notes:

- (b) CPFL Geração holds 51.54% of the assured power and power of the Serra da Mesa HPP, whose concession belongs to Furnas. The Cariobinha HPP and the Carioba TPP projects are deactivated pending the position of the Ministry of Mines and Energy on the anticipated closure of its concession and are not included in the table;
- (c) The joint venture Chapecoense fully consolidates the interim financial statements of its direct subsidiary, Foz de Chapecó;
- (d) Paulista Lajeado has a 7% participation in the installed power of Investco S.A. (5.94% share of its capital).

Energy commercialization	Company Type	Core activity	Equity Interest
CPFL Comercialização Brasil S.A. ("CPFL Brasil")	Private corporation	Energy commercialization	Direct 100%
Clion Assessoria e Comercialização de Energia Elétrica Ltda. ("CPFL Meridional")	Limited company	Commercialization and provision of energy services	Indirect 100%
CPFL Comercialização Cone Sul S.A. ("CPFL Cone Sul")	Private corporation	Energy commercialization	Indirect 100%
CPFL Planalto Ltda. ("CPFL Planalto")	Limited company	Energy commercialization	Direct 100%
CPFL Brasil Varejista S.A. ("CPFL Brasil Varejista")	Private corporation	Energy commercialization	Indirect 100%

Services	Company Type	Core activity	Equity Interest
CPFL Serviços, Equipamentos, Indústria e Comércio S.A. ("CPFL Serviços")	Private corporation	Manufacturing, commercialization, rental and maintenance of electro-mechanical equipment and service provision	Direct 100%
Nect Serviços Administrativos de Infraestrutura Ltda ("CPFL Infra") (g)	Limited company	Infrastructure and Fleet Services	Direct 100%
Nect Serviços Administrativos de Recursos Humanos Ltda ("CPFL Pessoas") (g)	Limited company	Human Resources Services	Direct 100%
Nect Serviços Administrativos Financeiros Ltda ("CPFL Finanças") (g)	Limited company	Financial services	Direct 100%
Nect Serviços Adm de Suprimentos e Logística Ltda ("CPFL Supre") (g)	Limited company	Supply & Logistics Services	Direct 100%
CPFL Atende Centro de Contatos e Atendimento Ltda. ("CPFL Atende")	Limited company	Provision of telephone answering services	Direct 100%
CPFL Total Serviços Administrativos Ltda. ("CPFL Total")	Limited company	Billing and collection services	Direct 100%
CPFL Eficiência Energética S.A. ("CPFL Eficiência")	Private corporation	Management in Energy Efficiency	Direct 100%
TI Nect Serviços de Informática Ltda. ("Authi")	Limited company	IT services	Direct 100%
CPFL GD S.A. ("CPFL GD")	Private corporation	Electric energy generation services	Indirect 100%

Others	Company Type	Core activity	Equity Interest
CPFL Jaguar de Geração de Energia Ltda. ("Jaguar Geração")	Limited company	Venture capital company	Direct 100%
Chapecoense Geração S.A. ("Chapecoense")	Private corporation	Venture capital company	Indirect 51%
Sul Geradora Participações S.A. ("Sul Geradora")	Private corporation	Venture capital company	Indirect 99.95%
CPFL Telecom S.A. ("CPFL Telecom")	Private corporation	Telecommunication services	Direct 100%

6.13) Reconciliation of Net Debt/EBITDA Pro Forma ratio of CPFL Energia for purposes of financial covenants calculation

(R\$ million)

Net Debt Pro Forma Reconciliation (2Q20)

Net debt - Generation projects

jun/20	Majority-controlled subsidiaries (fully consolidated)				Investees accounted for under the equity method					Total
	CERAN	CPFL Renováveis	Paulista Lajeado	Subtotal	ENERCAN	BAESA	Chapecoense	EPASA	Subtotal	
Borrowings and Debentures	317	4,052	-	4,369	387	-	984	134	1,505	5,874
(-) Cash and Cash Equivalents	(88)	(1,049)	(16)	(1,153)	(122)	(19)	(374)	(150)	(665)	(1,818)
Net Debt	229	3,003	(16)	3,216	266	(19)	610	(16)	840	4,056
CPFL Stake (%)	65.00%	100.00%	59.93%	-	48.72%	25.01%	51.00%	53.34%	-	-
Net Debt in Generation Projects	149	3,003	(10)	3,143	129	(5)	311	(9)	427	3,569

Reconciliation

CPFL Energia	
Gross Debt	21,642
(-) Cash and Cash Equivalents	(6,988)
Net Debt (IFRS)	14,655
(-) Fully Consolidated Projects	(3,216)
(+) Proportional Consolidation	3,569
Net Debt (Pro Forma)	15,008

EBITDA Pro Forma Reconciliation (2Q20 - LTM)

EBITDA - Generation Projects

2Q20LTM	Majority-controlled subsidiaries (fully consolidated)				Investees accounted for under the equity method					Total
	CERAN	CPFL Renováveis	Paulista Lajeado	Subtotal	ENERCAN	BAESA	Chapecoense	EPASA	Subtotal	
Net operating revenue	331	1,896	40	2,267	666	269	910	292	2,137	4,404
Operating cost and expense	(105)	(710)	(23)	(838)	(209)	(204)	(196)	(82)	(690)	(1,528)
EBITDA	226	1,186	18	1,430	457	64	715	210	1,446	2,876
CPFL stake (%)	65.00%	100.00%	59.93%	-	48.72%	25.01%	51.00%	53.34%	-	-
Proportional EBITDA	147	1,186	11	1,343	223	16	364	112	715	2,059

Reconciliation

CPFL Energia - 2Q20 LTM	
Net income	2,971
Amortization	1,728
Financial Results	246
Income Tax /Social Contribution	1,318
EBITDA	6,263
(-) Equity income	(344)
(-) EBITDA - Fully consolidated projects	(1,430)
(+) Proportional EBITDA	2,059
EBITDA Pro Forma	6,548
Net Debt / EBITDA Pro Forma	2.29x

Note: in accordance with financial covenants calculation in cases of assets acquired by the Company.