
COMMENTS ON THE COMPANY PERFORMANCE FOR THE QUARTER

The comments on performance are expressed in thousands of reais, except as otherwise stated.

Analysis of results**CPFL Energy (Parent)**

In this quarter, the increase in net income was R\$ 6,145 when compared to the same period of the previous year (R\$ 1,407,996, in 2022, and R\$ 1,401,850, in 2021), mainly due to the reduction in expenses with income tax and social contribution by R\$ 38,217; partially offset by decreases in: (i) results from equity interests, R\$ 24,483 and (ii) net financial result, R\$ 5,149.

COMMENTS ON CONSOLIDATED PERFORMANCE

	Consolidated					
	3rd Quarter			Nine months		
	2022	2021	Variation	2022	2021	Variation
Gross operating revenue	13,244,653	15,666,290	-15.5%	40,621,683	40,853,502	-0.6%
Electricity sales to final consumers (*)	7,074,422	8,962,641	-21.1%	26,007,634	25,410,358	2.4%
Electricity sales to wholesaler's (*)	1,457,193	1,918,207	-24.0%	3,566,136	4,434,541	-19.6%
Concession's infrastructure construction revenue	1,559,174	797,838	95.4%	3,868,035	2,164,696	78.7%
Other operating revenues (*)	2,321,905	2,117,804	9.6%	7,608,142	6,030,733	26.2%
Sector financial assets and liabilities	831,960	1,869,802	-55.5%	(428,265)	2,813,173	-115.2%
Deductions from operating revenue	(3,238,733)	(4,476,406)	-27.6%	(12,003,989)	(12,562,686)	-4.4%
Net operating revenue	10,005,921	11,189,884	-10.6%	28,617,694	28,290,816	1.2%
Cost of electricity energy services	(4,613,291)	(6,912,400)	-33.3%	(13,467,331)	(17,077,830)	-21.1%
Electricity purchased for resale	(3,557,562)	(5,927,586)	-40.0%	(10,262,906)	(13,809,515)	-25.7%
Electricity network usage charges	(1,055,729)	(984,814)	7.2%	(3,204,425)	(3,268,315)	-2.0%
Operating costs and expenses	(3,085,881)	(2,322,413)	32.9%	(8,539,417)	(6,274,336)	36.1%
Personnel	(500,216)	(397,448)	25.9%	(1,488,217)	(1,144,776)	30.0%
Private pension entity	16,692	(56,723)	-129.4%	(145,013)	(170,217)	-14.8%
Materials	(134,730)	(92,713)	45.3%	(366,314)	(248,462)	47.4%
Third-party services	(177,230)	(155,492)	14.0%	(484,285)	(461,737)	4.9%
Depreciation/amortization	(441,988)	(362,879)	21.8%	(1,223,430)	(1,073,694)	13.9%
Amortization of concession intangibles	(75,227)	(71,656)	5.0%	(238,166)	(215,354)	10.6%
Concession infrastructure construction cost	(1,558,801)	(939,973)	65.8%	(3,863,250)	(2,299,976)	68.0%
Other expenses	(214,382)	(245,530)	-12.7%	(730,741)	(660,120)	10.7%
Income from electric energy service	2,306,749	1,955,071	18.0%	6,610,946	4,938,650	33.9%
Financial result	(479,688)	(189,407)	153.3%	(1,560,341)	(319,708)	388.1%
Financial income	566,868	251,939	125.0%	1,703,499	800,803	112.7%
Financial expenses	(1,046,556)	(441,346)	137.1%	(3,263,840)	(1,120,511)	191.3%
Equity interest in subsidiaries, associates and joint ventures	142,523	206,090	-30.8%	384,783	387,405	-0.7%
Result before taxes	1,969,584	1,971,754	-0.1%	5,435,388	5,006,347	8.6%
Social contribution	(148,751)	(144,987)	2.6%	(428,577)	(401,377)	6.8%
income tax	(401,622)	(390,971)	2.7%	(1,163,041)	(1,081,884)	7.5%
Net income for the period	1,419,211	1,435,797	-1.2%	3,843,770	3,523,087	9.1%
Net income attributed to controlling shareholders	1,407,996	1,401,850	0.4%	3,762,584	3,455,962	8.9%
Net income attributed to non-controlling shareholders	11,215	33,947	-67.0%	81,186	67,124	20.9%
EBITDA	2,966,632	2,595,840	14.3%	8,457,760	6,615,538	27.8%

Reconciliation of Net Income and EBITDA				
Net income	1,419,211	1,435,797	3,843,770	3,523,087
Depreciation and amortization	517,215	434,534	1,461,596	1,289,048
Amortization of asset value	145	145	435	435
Financial result	479,688	189,407	1,560,341	319,708
Social contribution	148,751	144,987	428,577	401,377
Income tax	401,622	390,971	1,163,041	1,081,884
EBITDA	2,966,632	2,595,840	8,457,760	6,615,538

(*) For the purpose of presenting the performance comment, the reclassification of revenue from network availability to captive consumers was not carried out - TUSD

Gross operating revenue

Gross operating revenue in the 3rd quarter of 2022 was R\$ 13,244,653, a reduction of 15.5% (R\$ 2,421,637) when compared to the same period of the previous year.

The main factors for this variation were:

- Reduction of 21.1% (R\$ 1,888,219) in the supply of electricity, resulting from decreases in (i) 13.9% in average tariffs (R\$ 1,142,837) mainly as a result of the change in the rate and calculation base of the ICMS and (ii) 8.3% on the volume of energy sold (R\$ 745,382);
- Reduction of 55.5% (R\$ 1,037,842) in sector financial assets and liabilities, due to the decrease in asset constitution in the 3rd quarter of 2022 (R\$ 1,154,630); partially offset by the increase in realization of assets in the 3rd quarter of 2022 (R\$ 116,788);
- Reduction of 24.0% (R\$ 461,014) in the supply of electricity, mainly in the sale of short-term energy in the Electric Energy Trading Chamber "CCEE" of R\$ 511,872, due to the reduction of average tariffs of 87.9% (R\$ 1,506,386) mainly resulting from the drop in the settlement price of differences - PLD; partially offset by the increase of 138.2% (R\$ 994,514) in the volume sold;
- 95.4% increase (R\$ 761,337) in revenue from construction of concession's infrastructure; and
- Increase of 9.6% (R\$ 204,100) in other operating income, mainly due to: (i) transmission revenue due to the acquisition of CPFL Transmissão (R\$ 397,411), (ii) R\$ 70,495, in low-income subsidy, (iii) R\$ 45,039, in leases and rents and (iv) R\$ 25,384 in sales of other products and services; partially offset by the reduction of R\$ 338,425 in updates to concession financial assets, due to the reduction of the IPCA.

➤ Volume of energy sold

In the 3rd quarter of 2022, the quantity of energy billed to captive consumers in the period, including licensees, decreased -5.6% compared to the same quarter of the previous year.

Residential class consumption represents 51.1% of the total captive market provided by the distributor and showed a drop of -2.3% in the 3rd quarter of 2022, when compared to the same period of the previous year. This performance mainly reflects the calendar effect, the lower temperatures recorded and the expansion of the generation distributed in this period, when compared to the same period of 2021. In addition, it reflects the relaxation of restrictive measures to combat the pandemic, thus allowing greater movement of people and, consequently, the shorter length of stay in homes.

The commercial class, which represents 17.4% of the total captive market supplied by the distributor, decreased -0.1% in the 3rd quarter of 2022, when compared to the same period of the previous year. Part of this result is due to the reclassification of consumers from the rural class and public service to the commercial class, which was incorporated by ANEEL's REN 1000/2021, offset by the increase in the number of consumer units with distributed generation.

The industrial class, which represents 10.8% of the total captive market supplied by the distributor, decreased -5.6% in the 3rd quarter of 2022, when compared to the same period of the previous year. This performance reflects the migration of customers to the free market.

The other consumption classes (rural, public power, public lighting, public service and licensees) participate with 20.6% of the total captive market supplied by the distributor. These classes decreased -16.7% in the 3rd quarter of 2022, when compared to the same period of the previous year, due to the effects of distributed generation, migrations of licensees and reclassification of consumers from the rural classes and public service to the commercial class, the latter being incorporated by REN 1000/2021 of ANEEL.

In relation to the quantity of energy sold and transported in the concession area, related to both the billed supply (captive market) and the collection of TUSD (free market), there was a drop of -0.9% when compared to the same period of the previous year. By class, there was a variation of -2.3% in residential, +5.1% in commercial, +3.3% in industrial and -14.5% in other consumption classes.

➤ Tariffs

In the 3rd quarter of 2022, the energy supply tariffs practiced by the distribution subsidiaries are as follows:

Distributor	Month	2022		2021	
		RTA / RTP	perceived by consumers (a)	RTA / RTP	perceived by consumers (a)
CPFL Paulista	April	12.77%	14.97%	17.62%	8.95%
CPFL Piratininga	October	21.07%	14.72%	14.78%	12.40%
RGE	June	8.72%	10.98%	15.23%	9.95%
CPFL Santa Cruz	March	7.82%	8.83%	17.19%	9.95%

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

On July 13, 2022, ANEEL published Homologatory Resolutions ("REH") N 3,058 and 3059, related to the extraordinary tariff review - RTE, which reduced tariffs, with the average effect to be perceived by consumers of 2.44% and 2.32%, for CPFL Paulista and CPFL Santa Cruz, respectively.

Operating revenue deductions

Deductions from operating revenue in the 3rd quarter of 2022 were R\$ 3,238,733, down 27.6% (R\$ 1,237,674), when compared to the same quarter of 2021, which was mainly due to:

- Reduction of 48.9% (R\$ 1,569,797) in ICMS/PIS/COFINS on energy sales and services;
- Reduction of 100.0% (R\$ 225,047) in Tariff Flags;
- Increase of 60.6% (R\$ 533,794) in the Energy Development Account - CDE; and
- Increase of 64.0% (R\$ 33,789) in PROINFA.

Cost of electricity

The cost of electricity in this quarter totaled R\$ 4,613,291, a reduction of 33.3% (R\$ 2,299,109) when compared to the same period of the previous year, justified mainly by:

- Reduction of 40.0% (R\$ 2,370,024) in electricity purchased for resale, explained by a reduction of: (i) 41.6% (R\$ 2,534,770) in the average price, mainly due to the decrease in the settlement price of the differences - PLD; partially offset by the increase in (ii) 2.8% (R\$ 164,746) in the quantity of energy purchased; and
- Increase of 7.2% (R\$ 70,915) in the charges for the use of the transmission and distribution system, mainly due to increases in: (i) reserve energy charges (R\$ 160,734) and (ii) basic network charges (R\$ 213,332); partially offset by decreases in (iii) system service charges – ESS (R\$ 272,667) and (iv) connection charges (R\$ 41,243).

Operating costs and expenses

Disregarding the cost of construction of the concession infrastructure, operating costs and expenses in this quarter were R\$ 1,527,080, an increase of 10.5% (R\$ 144,640) when compared to the same period of the previous year. This variation is mainly due to:

- **Personnel:** 25.9% increase (R\$ 102,767), mainly explained by (i) wage increases from collective labor agreements and (ii) acquisition of CPFL Transmission R\$ 25,772;
- **Private pension entity:** 129.4% reduction (R\$ 73,415), mainly due to the payment of the PSAP plan of the subsidiary CPFL Piratininga;
- **Supplies:** 45.3% increase (R\$ 42,017), basically due to the addition related to the replacement, conservation and maintenance of lines and networks, buildings, machinery and equipment;

- **Third-party services:** 14.0% increase (R\$ 21,738), basically due to the acquisition of CPFL Transmissão (R\$ 18,148);
- **Other expenses:** 12.7% reduction (R\$ 31,148), mainly due to R \$ 42,829 in provisions for doubtful accounts; partially offset by the increase of R\$ 11,681 in insurance, legal, judicial, indemnity, advertising, sponsorship, publicity and other expenses.

Financial result

Net financial results in this quarter showed net expenses of R\$ 479,688, compared to R\$ 189,407 in the same period of 2021, an increase of R\$ 290,281. This variation is basically due to:

- 125.0% increase in financial revenues (R\$ 314,929), mainly due to the increase in (i) updates of tax credits and judicial deposits (R\$ 116,702), (ii) income from financial investments (R\$ 98,550) and (iii) updates of sector financial assets (R\$ 76,115); and
- 137.1% increase in financial expenses (R\$ 605,210), mainly due to the increases of: (i) monetary and foreign exchange adjustments, net of derivative (R\$ 187. 530), (ii) debt charges (R\$ 220,750), (iii) interest on loan agreements (R\$ 58,149) and (iv) updating of taxes and other financial expenses (R\$ 127,758).

Share of profit (loss) of investees

The 30.8% reduction (R\$ 63,568) in share of profits (loss) of investees in the consolidated results, refers to the result of equity interests in jointly controlled ventures, as below:

	3rd Quarter 2022	3rd Quarter 2021
Epasa	18,280	22,037
Baesa	(475)	2,080
Enercan	62,470	65,699
Chapecoense	62,597	116,419
CPFL Transmissão investments	(204)	-
Amortization of fair value adjustment of asset	(145)	(145)
Total	142,523	206,090

Social Contribution and Income Tax

Taxes on profit in the 3rd quarter of 2022 were R\$ 550,373 an increase of 2.7% (R\$ 14,416) when compared to the same quarter of 2021.

Net Profit and EBITDA

As a result of the factors described above, net profit for this quarter was R\$ 1,419,211, 1.2% (R\$ 16,586) lower than that for the same period in 2021.

EBITDA (Net income excluding the effects of depreciation, amortization, financial result, social contribution and income tax) for the 3rd quarter of 2022 was R\$ 2,966,632, 14.3% (R\$ 370,792) higher than that for the same period of 2021.

COMMENTS ON THE PERFORMANCE OF SUBSIDIARIES/ASSOCIATES

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

The subsidiary Companhia Paulista de Força e Luz - CPFL is a publicly held company, and the comments on its performance are included in its Quarterly Information - ITR, of September 30, 2022, filed with CVM - Brazilian Securities and Exchange Commission.

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

The subsidiary CPFL Geração de Energia S.A. is a publicly held company, and the comments on its individual and consolidated performance are included in its Quarterly Information – ITR, of September 30, 2022, filed with CVM – Brazilian Securities and Exchange Commission.

Controlled/Associate: CPFL Transmissão S.A.

The subsidiary CPFL Transmissão S.A. is a publicly held company, and the comments on its individual and consolidated performance are included in its Quarterly Information – ITR, of September 30, 2022, filed with CVM – Brazilian Securities and Exchange Commission.

Subsidiary/Associate: CPFL Energias Renováveis S.A.

The subsidiary CPFL Energias Renováveis S.A. is a publicly held company, and the comments on its consolidated performance are included in its Quarterly Information – ITR, of September 30, 2022, filed with CVM – Brazilian Securities and Exchange Commission.

Controlled/Associate: Piratininga Force and Light Company

The subsidiary Companhia Piratininga de Força e Luz is a publicly held company, and the comments on its performance are included in its Quarterly Information - ITR, of September 30, 2022, filed with CVM – Brazilian Securities and Exchange Commission.

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

The subsidiary RGE Sul Distribuidora de Energia S.A. is a publicly held company, and the comments on its performance are included in its Quarterly Information – ITR, of September 30, 2022, filed with CVM – Brazilian Securities and Exchange Commission.

Company: CPFL Comercialização Brasil S.A.

	Consolidated					
	3rd Quarter			Nine months		
	2022	2021	Variation	2022	2021	Variation
Gross operating revenue	1,185,522	736,309	61.0%	3,193,691	2,065,024	54.7%
Electricity sales to final consumers	404,024	497,234	-18.7%	1,161,589	1,450,143	-19.9%
Electricity sales to wholesaler's	351,302	238,688	47.2%	843,430	614,411	37.3%
Concession's infrastructure construction revenue	32,716	-	100.0%	116,844	-	100.0%
Other operating revenues	397,480	386	102823.5%	1,071,828	470	227781.4%
Deductions from operating revenue	(181,224)	(86,177)	110.3%	(481,696)	(204,927)	135.1%
Net operating revenue	1,004,298	650,132	54.5%	2,711,995	1,860,097	45.8%
Cost of electricity energy services	(650,132)	(708,783)	-8.3%	(1,764,016)	(1,847,060)	-4.5%
Electricity purchased for resale	(650,200)	(708,145)	-8.2%	(1,761,920)	(1,844,990)	-4.5%
Electricity network usage charges	68	(639)	-110.7%	(2,096)	(2,070)	1.3%
Operating costs and expenses	(135,795)	(19,147)	609.2%	(518,071)	(43,610)	1088.0%
Personnel	(33,384)	(7,426)	349.6%	(191,452)	(22,355)	756.4%
Private pension entity	(14,637)	-	100.0%	(43,832)	-	100.0%
Materials	(1,400)	(81)	1625.8%	(3,936)	(136)	2802.0%
Third-party services	(23,228)	(10,778)	115.5%	(61,676)	(17,038)	262.0%
Depreciation/amortization	(27,709)	(1,027)	2597.9%	(35,205)	(2,977)	1082.4%
Amortization of concession intangibles	(3,508)	-	100.0%	(23,067)	-	100.0%
Concession infrastructure construction cost	(36,626)	-	100.0%	(124,661)	-	100.0%
Other expenses	4,695	165	2747.5%	(34,243)	(1,103)	3005.8%
Income from electric energy service	218,371	(77,798)	-380.7%	429,908	(30,572)	-1506.2%
Financial result	(58,400)	(36)	161527.7%	(155,505)	63,278	-345.7%
Financial income	21,848	11,994	82.2%	190,354	89,787	112.0%
Financial expenses	(80,249)	(12,030)	567.1%	(345,859)	(26,509)	1204.7%
Equity interest in subsidiaries, associates and joint ventures	19,198	29,662	-35.3%	82,867	74,913	10.6%
Result before taxes	179,169	(48,172)	-471.9%	357,270	107,619	232.0%
Social contribution	(21,525)	6,129	-451.2%	(24,460)	(4,133)	491.9%
Income tax	(59,643)	16,877	-453.4%	(68,125)	(11,594)	487.6%
Net income for the period	98,001	(25,167)	-489.4%	264,685	91,893	188.0%
Net income attributed to controlling shareholders	96,896	(25,167)	-485.0%	216,318	91,893	135.4%
Net income attributed to non-controlling shareholders	1,105	-	8321057.5%	48,366	-	630592604.4%
EBITDA	269,638	(46,103)	-684.9%	573,905	49,542	1058.4%
Reconciliation of Net Income and EBITDA						
Net income	98,001	(25,167)		264,685	91,893	
Depreciation and amortization	31,216	1,027		58,271	2,977	
Amortization of asset value	853	1,006		2,859	2,223	
Financial result	58,400	36		155,505	(63,278)	
Social contribution	21,525	(6,129)		24,460	4,133	
Income tax	59,643	(16,877)		68,125	11,594	
EBITDA	269,638	(46,103)		573,905	49,542	

Gross Operating Revenue

Gross operating revenue for the 3rd quarter of 2022 was R\$ 1,185,522, an increase of R\$ 449,214 (61%), when compared to the same quarter of 2021, mainly due to: (i) transmission revenue of R\$ 397,094, (ii) concession infrastructure construction revenue of R\$ 32,716, both stemming from the acquisition of CPFL Transmissão.

Deductions from Operating Revenue

The deductions of operating revenue for the 3rd quarter of 2022 were R\$ 181,224, an increase of R\$ 95,048 (110.3%), when compared to the same quarter of 2021, mainly due to the acquisition of CPFL Transmissão.

Cost of Electricity

The cost of electricity in the 3rd quarter of 2022 was R\$ 650,132, a reduction of R\$ 58,651 (8.3%), when compared to the same quarter of 2021, mainly due to a 5.0% (R\$ 33,584) reduction in the volume of energy purchased and the average price by 3.2% (R\$ 22,650).

Operating costs and expenses

Operating costs and expenses in the 3rd quarter of 2022 were R\$ 135,795, an increase of R\$ 116,649 (609.2%), when compared to the same quarter of 2021, due mainly to the acquisition of CPFL Transmissão.

Financial Results

The financial result for the 3rd quarter of 2022 was a financial expense of R\$ 58,400, an increase of R\$ 58,364, when compared to the same quarter of 2021.

Financial Revenue: 82.2% (R\$ 9,854) increase, due mainly to: (i) from the acquisition of CPFL Transmission (R\$ 11,760), (ii) income from financial application (R\$ 2,458) and (iii) s of tax credits (R\$ 1,506), partially offset by the monetary update of accounts receivable with the Electric Energy Trading Chamber-CCEE (R\$ 6,155).

Financial Expenses: 567.1% (R\$ 68,219) increase, due mainly to: (i) acquisition of CPFL Transmission (R\$ 30,722), (ii) update of monetary variation and derivatives (R\$ 24,175) and (iii) interest on loan agreement (R\$ 8,884).

The equity result recorded in the 3rd Quarter of 2022 was positive at R\$ 19,198, mainly explained by the registration of the equity interest of indirect subsidiary CPFL Transmissão.

Net profit and EBITDA for the period

The result for the 3rd quarter of 2022 was a profit of R\$ 98,001, R\$ 123,168 (489.4%) increase, when compared to the same quarter of 2021.

EBITDA (Net income before financial income, income tax and social contribution, depreciation, amortization) for the 3rd quarter of 2022 was R\$ 269,638, a 684.9% increase, when compared to the same quarter of 2021, which was negative by R\$ 46,103 (information not reviewed by the Independent Auditors).

GLOSSARY OF TERMS OF THE ELECTRICITY SECTOR

ACL: Free Contracting Environment. Market segment that comprises the purchase of electricity by unregulated agents (such as Free Consumers and electric energy traders).

ACR: Regulated Contracting Environment. Market segment that comprises the purchase by distributors, through auctions and other mechanisms organized by ANEEL.

ANEEL: Brazilian Electricity Regulatory Agency.

Ordinary General Meeting (AGO): Meeting of shareholders of a company with mandatory annual convocation by the Board of Directors for: (a) to receive the rendering of accounts by the management; (b) examination and voting of the financial statements; (c) allocation of profits; (d) distribution of dividends; and (e) election of directors and fiscal council

B3 - B3 S.A. - Brasil, Bolsa, Balcão: São Paulo Stock Exchange.

BNDES: Banco Nacional de Desenvolvimento Econômico e Social S.A. – Brazilian Economic and Social Development Bank

Installed Capacity: Maximum amount of electricity that can be delivered by a particular generating unit on a continuous full load basis, under specific conditions as designated by the manufacturer.

CCEE: Electric Energy Trading Chamber.

CDE: Energy Development Fund, created by Law No. 10,438 of April 26, 2002, and subsequent amendments. Fund administered by CCEE to foster the development of electricity in general and its production from alternative energy sources in particular, as well as the universalization of energy services in Brazil. All concessionaires contribute to this fund.

Company or CPFL Energia: CPFL Energia S.A. or the group of companies formed by CPFL Energia and its subsidiaries.

Consumer: Natural or legal person who requests the concessionaire to supply electricity, thus assuming responsibility for the payment of invoices and other obligations set by ANEEL.

Captive Consumer: Consumers that can only buy energy from the concessionaire that operates on the network to which they are connected.

Final Consumer: Consumers that use electricity to meet their own needs.

Free Consumer: Consumers, with contracted demand greater than or equal to 2 MW, served by generators or energy traders, through bilateral contracts signed in the Free Contracting Environment - ACL. These consumers also have to pay the distributor where they are located for the use of the distribution system.

Special Free Consumer: Special category of free consumers, with contracted demand between 0.5 MW and 2 MW (or set of high voltage units, in the same submarket, that, together, total a demand greater than 0.5 MW), who are able to buy energy in the free market only from incentivized sources (solar, wind, biomass or SHP).

CVA: Graphic account which assigns the variations between the amounts realized and the amounts considered in the transfers of costs to final consumers in the distributors' tariff revisions and adjustments. The expenses considered in the CVA are: Purchase of energy, transportation from Itaipu, basic network contract and sector charges.

CVM: Brazilian Securities and Exchange Commission.

DEC: Equivalent Duration of Interruption per Consumer Unit. Indicates the average number of hours a consumer runs out of electricity for a period, usually monthly, or in the last 12 months.

Distribution: The electricity grid system that distributes electricity to end consumers within a concession area.

Dividend Yield: Relationship between dividends paid by the company and the current share price.

EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) or LAJIDA (in Portuguese, Lucro antes do pagamento de juros, impostos, depreciação e amortização do diferido): a valuation element that measures the cash generation in the company's operations, before it is affected by financial charges, depreciation and taxes.

Assured Energy or Physical Guarantee: Fixed amount of electricity from a plant, established by the Granting Authority in the respective concession contract. Represents the amount of energy available for sale in that venture.

Bylaws: Bylaws of the Company.

FEC: Equivalent Frequency of Interruption per Consumer Unit. Indicates how many times, on average, there was interruption in the consumer unit in a given month or in the last 12 months.

Free Float: Number of shares of a company available for trading in organized markets.

Holding: (1) Company that has, as its main activity, a majority shareholding in one or more companies; (2) Company that owns the majority of the shares of other companies and that holds control of its management and business policies.

IBrX-100: Brazil Index is a price index that values the return of a theoretical portfolio composed of 100 selected shares among the most traded in B3, in terms of number of trades and financial volume. These shares are weighted in the index portfolio by their respective number of shares available to market trading.

IBOV- Bovespa Index: is the most important indicator of the average performance of Brazilian stock market quotes. Its relevance stems from the fact that IBOV portrays the behavior of the main securities traded in B3.

ICO2 – Carbon Efficient Index: Index composed of the shares of companies participating in the IBrX-100 index that agreed to participate in this initiative, adopting transparent practices regarding their greenhouse gas (GHG) emissions. It takes into account, for weighting of the shares of the component companies, their degree of efficiency of GHG emissions, in *addition to the free float* (total of outstanding shares) of each one of them.

IDIV – Dividend index: it is a total return index and is intended to be the indicator of the average performance of the asset quotes that stood out in terms of investors' remuneration, in the form of dividends and interest on equity.

IEE - Electric Energy Index: was launched in August 1996 with the objective of measuring the performance of the electricity sector. Thus, it is an instrument that allows the evaluation of the performance of portfolios specialized in this sector.

IFRS – International Financial Reporting Standards: international accounting standards which seek a standard of rules accepted in many countries and serve to facilitate the comparability of information between companies from different countries. In Brazil, IFRS was implemented in 2010.

IGC - Special Corporate Governance Stock Index: its objective is measure the performance of a theoretical portfolio composed of shares of companies that present good levels of corporate governance. Such companies must be traded on the Novo Mercado or be classified in B3 Levels 1 or 2.

IGP-M: General Market Price Index, published by the Getúlio Vargas Foundation.

Quarterly Information (ITR): Accounting document that companies must forward periodically to CVM - Brazilian Securities and Exchange Commission.

IPCA: Expanded Consumer Price Index, calculated by IBGE.

ISE - Corporate Sustainability Index: it aims to reflect the return of a portfolio composed of shares of companies with recognized commitment to social responsibility and corporate sustainability, and to act as a promoter of good practices in the Brazilian business environment.

ITAG: Index of Differentiated Tag-Along Shares, which aims to measure the performance of a theoretical portfolio composed of shares of companies that offer better conditions to minority shareholders in the event of disposal of control.

Itaipu: Itaipu Binacional, a Hydroelectric Power Plant owned in equal shares by Brazil and Paraguay.

Brazilian Corporate Law: Federal Law No. 6,404, enacted on December 15, 1976, which governs, among other things, corporations and the rights and duties of their shareholders, directors and officers.

Regulated Market: Market segment in which distributors buy all the energy needed to supply customers through public auctions. The auction process is managed by ANEEL, either directly or through the CCEE, in accordance with certain guidelines provided by the MME. Regulated Market is generally considered to be more stable in terms of electricity supply.

MME: Ministry of Mines and Energy.

Novo Mercado: B3 listing segment for the trading of shares issued by companies that voluntarily commit to

the adoption of the highest level of corporate governance and disclosure of additional information beyond what is required by the legislation.

SDGs: United Nations Sustainable Development Goals, 17 sustainable development goals set by the United Nations and 169 specific goals that apply to all countries and cover a wide range of sustainability issues, including poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment and social justice.

ONS: National Power System Operator. Legal entity of private law authorized to carry out the activities of coordination and control of the operation of the generation and transmission of electricity in interconnected systems.

Portion A: Non-manageable costs of distributors that include costs of acquiring electricity for resale, connection and use of transmission systems charges and sector charges.

Small Hydroelectric Power Plants (SHPs): Hydroelectric plants with an installed capacity of more than 3 MW and up to 30 MW.

Granting Power: Federal Government.

PROINFA: Program for Incentive to Alternative Electricity Sources, established by Law No. 10,438, of April 26, 2002, and subsequent changes.

RAP (Permitted Annual Revenue): revenue authorized by ANEEL, by means of a Resolution, for making the availability of the transmission system facilities. Annual revenue to which the concessionaire is entitled from the entry into commercial operation of the transmission facilities.

Basic Network: Transmission facilities of the National Interconnected System - SIN, owned by concessionaires of public transmission service, with a voltage equal to or greater than 230 kV, according to Normative Resolution No. 67, of June 8, 2004.

Distribution Network: Network intended for the distribution of electricity in a delimited consumption zone.

Transmission Grid: Grid or system for transmission of electricity between regions or countries to feed subsidiary networks.

RTA: annual tariff adjustment.

RTE: extraordinary tariff adjustment.

RTP: periodic tariff review.

SIN: National Interconnected System. System composed of the Basic Network and other transmission facilities that interconnect the generation and distribution units in Brazil.

Substation: Set of switching, control, protection and/or transformation equipment, which connect, change and/or regulate the voltage in transmission and distribution system.

Tag along: Right to sell shares granted to minority shareholders, at the same price as the controlling shareholders, in event of a sale of shares carried out by them.

Transmission: High voltage line system that transports electricity over long distances with a voltage level equal or greater than 69 kV, interconnecting substations.

TUSD: Tariff for the Use of the Distribution System, adjusted annually by ANEEL.

Hydroelectric Power Plant or UhT: Generating unit that transforms potential energy from accumulated water in the reservoir into electricity.

Thermoelectric Power Plant or UTE: Generation unit that uses thermal energy from the burning of fuel, such as: coal, oil, natural gas, diesel and other hydro carbon as an energy source to drive the electricity generator.

Biomass Thermoelectric Power Plant: thermoelectric generator that uses the combustion of organic material for energy production.

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CPFL Energia S.A.

Statements of financial position at September 30, 2022 and December 31, 2021

(in thousands of Brazilian Reais)

ASSETS	Note	Parent company		Consolidated	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Current assets					
Cash and cash equivalents	5	8,806	8,287	4,028,055	2,199,952
Marketable securities		-	-	284,075	585,858
Consumers, concessionaires and licensees		-	-	4,828,633	5,425,177
Inventory		-	-	170,521	150,867
Dividends and interest on capital		777,130	87,081	166,024	134,613
Income tax and social contribution recoverable	6	29,851	67	160,236	97,083
Other taxes recoverable	6	8,195	13,905	582,366	375,680
PIS/COFINS on ICMS recoverable	6	-	-	1,671,574	1,288,824
Derivatives	26	-	-	212,534	357,350
Sector financial assets	7	-	-	107,290	2,373,727
Contract assets	11	-	-	688,166	845,025
Other assets	9	888	662	1,203,436	1,718,346
Total current assets		824,869	110,002	14,102,909	15,552,504
Non-current assets					
Consumers, concessionaires and licensees		-	-	214,891	259,173
Intragroup loans		128,691	168,943	-	-
Escrow Deposits	17	558	646	918,579	858,981
Income tax and social contribution recoverable	6	411	411	112,001	117,332
Other taxes recoverable	6	-	-	397,448	286,498
PIS/COFINS on ICMS recoverable	6	-	-	7,028,118	7,936,570
Sector financial assets	7	-	-	57,270	816,748
Derivatives	26	-	-	340,581	990,491
Deferred tax assets		20,548	2,178	254,700	231,594
Concession financial assets	8	-	-	15,752,655	13,281,686
Investments at cost		-	-	116,654	116,654
Other assets	9	1,483	2,159	211,001	199,500
Investments	10	16,372,913	14,940,841	968,084	1,202,944
Property, plant and equipment		2,064	1,515	8,584,753	8,754,616
Intangible assets		145	440	9,229,929	9,673,609
Contract assets	11	-	-	7,704,194	5,840,981
Total non-current assets		16,526,812	15,117,133	51,890,859	50,567,374
Total assets		17,351,681	15,227,134	65,993,768	66,119,878

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



CPFL Energia S.A.

Statements of financial position at September 30, 2022 and December 31, 2021

(in thousands of Brazilian Reais)

LIABILITIES AND EQUITY	Note	Parent company		Consolidated	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Current liabilities					
Trade payables	12	1,457	1,840	3,225,011	4,269,598
Borrowing	13	-	-	2,689,271	2,246,711
Debentures	14	-	-	2,672,009	1,788,125
Private pension plan	-	-	-	571,919	604,254
Regulatory liabilities	15	-	-	75,267	551,966
Income tax and social contribution payable	16	-	10,880	188,312	288,412
Other taxes, fees and contributions	16	307	5,542	359,561	886,864
Dividends	-	1,895,758	22,118	1,998,945	100,478
Estimated payroll	-	-	-	250,083	165,074
Derivatives	26	-	4,018	75,719	5,067
Sector financial liability	7	-	-	371,125	-
Decommissioning of assets and environmental expenses	-	-	-	5,632	2,046
Use of public assets	-	-	-	18,826	16,212
PIS/COFINS consumers reimbursement	6	-	-	549,112	58,606
Other payables	-	20,003	19,169	2,101,415	1,930,303
Total current liabilities		1,917,525	63,568	15,152,207	12,913,717
Non-current liabilities					
Trade payables	12	-	-	429,073	408,082
Borrowing	13	-	-	10,897,376	12,216,158
Debentures	14	-	-	7,263,489	6,164,877
Private pension plan	-	-	-	2,505,705	2,860,176
Income tax and social contribution payable	16	-	-	247,508	232,603
Other taxes, fees and contributions	16	-	-	5,920	6,092
Deferred tax liabilities	-	-	-	1,232,454	958,545
Provision for tax, civil and labor risks	17	133	106	1,108,700	1,035,364
Intragroup loans	24	-	-	2,722,804	2,518,150
Derivatives	26	-	-	323,197	86,196
Sector financial liability	7	-	-	326,195	-
Decommissioning of assets and environmental expenses	-	-	-	158,374	152,812
Use of public assets	-	-	-	149,081	141,118
PIS/COFINS consumers reimbursement	6	-	-	7,147,335	9,145,520
Other payables	-	10,314	17,259	588,268	474,591
Total non-current liabilities		10,447	17,364	35,105,480	36,400,283
Equity	18				
Issued capital	-	9,388,071	9,388,071	9,388,071	9,388,071
Capital reserves	-	(1,403,290)	(1,646,145)	(1,403,290)	(1,646,145)
Legal reserve	-	1,455,685	1,455,685	1,455,685	1,455,685
Statutory reserve - working capital improvement	-	4,072,689	4,072,689	4,072,689	4,072,689
Dividend	-	-	3,735,932	-	3,735,932
Accumulated comprehensive income	-	(1,872,428)	(1,860,030)	(1,872,428)	(1,860,030)
Retained earnings	-	3,782,981	-	3,782,981	-
	-	15,423,709	15,146,202	15,423,709	15,146,202
Equity attributable to non-controlling interests	-	-	-	312,373	1,659,676
Total equity		15,423,709	15,146,202	15,736,082	16,805,879
Total liabilities and equity		17,351,681	15,227,134	65,993,768	66,119,878

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



CPFL Energia S.A.

Statements of income for the periods ended September 30, 2022 and 2021
(in thousands of Brazilian Reals, except for Earnings per share)

Note	Parent company				Consolidated				
	2022		2021		2022		2021		
	3rd quarter	9 months	3rd quarter	9 months	3rd quarter	9 months	3rd quarter	9 months	
Net operating revenue	20	15	42	11	34	10,005,921	28,617,694	11,189,884	28,290,816
Cost of services									
Cost of electric energy	21	-	-	-	-	(4,613,291)	(13,467,331)	(6,912,400)	(17,077,830)
Cost of operation		-	-	-	-	(972,124)	(2,925,620)	(802,862)	(2,367,362)
Depreciation and amortization		-	-	-	-	(408,288)	(1,126,841)	(333,374)	(985,817)
Other cost of operation	22	-	-	-	-	(563,836)	(1,798,779)	(469,488)	(1,381,545)
Cost of services rendered to third parties	22	-	-	-	-	(1,559,997)	(3,866,760)	(940,940)	(2,303,073)
Gross profit		15	42	11	34	2,860,509	8,357,983	2,533,682	6,542,551
Operating expenses									
Selling expenses		-	-	-	-	(185,065)	(606,355)	(220,663)	(595,104)
Depreciation and amortization		-	-	-	-	(2,448)	(7,138)	(2,325)	(6,892)
Allowance for doubtful accounts		-	-	-	-	(63,609)	(245,471)	(106,220)	(260,195)
Other selling expenses	22	-	-	-	-	(119,008)	(353,746)	(112,118)	(328,017)
General and administrative expenses		(9,336)	(28,573)	(6,894)	(21,697)	(257,673)	(802,773)	(248,995)	(678,726)
Depreciation and amortization		(98)	(289)	(101)	(312)	(31,252)	(89,451)	(27,180)	(80,985)
Other general and administrative expenses	22	(9,238)	(28,284)	(6,793)	(21,385)	(226,421)	(713,322)	(221,815)	(597,741)
Other operating expenses		-	-	-	-	(111,021)	(337,907)	(108,953)	(330,071)
Amortization of concession intangible asset		-	-	-	-	(75,227)	(238,166)	(71,656)	(215,354)
Other operating expenses	22	-	-	-	-	(35,794)	(99,741)	(37,297)	(114,717)
Income from electric energy services		(9,322)	(28,531)	(6,882)	(21,663)	2,306,749	6,610,946	1,955,071	4,938,650
Equity interests in subsidiaries, associates and joint ventures	10	1,411,333	3,812,846	1,435,816	3,513,878	142,523	384,783	206,090	387,405
Financial income (expenses)	23	1,402,011	3,784,315	1,428,934	3,492,215	2,449,272	6,995,729	2,161,161	5,326,055
Financial income		5,303	21,843	15,769	26,289	566,868	1,703,499	251,939	800,803
Financial expenses		(1)	(61,944)	(5,318)	(10,919)	(1,046,556)	(3,263,840)	(441,346)	(1,120,511)
Profit before taxes		5,302	(40,100)	10,451	15,371	(479,688)	(1,560,341)	(189,407)	(319,708)
Social contribution		1,407,313	3,744,214	1,439,384	3,507,586	1,969,584	5,435,388	1,971,754	5,006,347
Income tax		475	5,820	(9,653)	(12,712)	(148,751)	(428,577)	(144,987)	(401,377)
		207	12,550	(27,881)	(38,913)	(401,622)	(1,163,041)	(390,971)	(1,081,884)
		683	18,370	(37,534)	(51,625)	(550,373)	(1,591,618)	(535,957)	(1,483,260)
Profit for the period		1,407,996	3,762,584	1,401,850	3,455,962	1,419,211	3,843,770	1,435,797	3,523,087
Profit (loss) for the period attributable to owners of the Company						1,407,996	3,762,584	1,401,850	3,455,962
Profit (loss) for the period attributable to non-controlling interests						11,215	81,186	33,947	67,125
Earnings per share attributable to owners of the Company (R\$):	19					1.22	3.27	1.22	3.00

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



CPFL Energia S.A.

Statements of comprehensive income for the periods ended September 30, 2022 and 2021
(in thousands of Brazilian Reais)

	Parent company			
	2022		2021	
	3rd quarter	9 months	3rd quarter	9 months
Profit for the period	1,407,996	3,762,584	1,401,850	3,455,962
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Comprehensive income for the period of subsidiaries	16,315	7,999	(6,584)	(34,659)
Total comprehensive income for the period	1,424,311	3,770,583	1,395,266	3,421,303

	Consolidated			
	2022		2021	
	3rd quarter	9 months	3rd quarter	9 months
Profit for the period	1,419,211	3,843,770	1,435,797	3,523,087
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
- Actuarial gains (losses), net of tax effects	17,283	17,283	(985)	(2,701)
- Credit risk in fair value measurement of financial liabilities	(962)	(9,765)	(5,600)	(31,959)
Total comprehensive income for the period	1,435,533	3,851,289	1,429,213	3,488,428
Attributable to owners of the Company	1,424,311	3,770,583	1,395,266	3,421,303
Attributable to non-controlling interests	11,222	80,706	33,947	67,125

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



CPFL Energia S.A.
Statements of changes in the shareholder equity for the periods ended September 30, 2022 and 2021
(in thousands of Brazilian Reals)

	Earnings reserves				Accumulated comprehensive income				Noncontrolling interests			
	Issued capital	Capital reserve	Legal reserve	Statutory reserve / Working capital improvement	Dividend	Deemed cost	Private pension plan / Credit risk in fair value measurement	Retained earnings	Total	Accumulated comprehensive income	Other equity components	Total equity
Balance at December 31, 2020	9,388,071	(1,643,775)	1,218,283	5,803,185	865,248	329,502	(2,024,737)	-	13,935,777	6,501	293,499	14,235,778
Total comprehensive income	-	-	-	-	-	-	(34,659)	3,455,962	3,421,303	-	67,125	3,488,428
Profit for the period	-	-	-	-	-	-	-	3,455,962	3,455,962	-	67,125	3,523,087
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	(31,959)	-	(31,959)	-	-	(31,959)
Other comprehensive income - actuarial gains (losses)	-	-	-	-	-	-	(2,701)	-	(2,701)	-	-	(2,701)
Internal changes in equity	-	-	-	-	-	(20,916)	-	20,916	-	(1,333)	1,208	(125)
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	(31,691)	-	31,691	-	(2,020)	2,020	-
Tax effect on realization of deemed cost	-	-	-	-	-	10,775	-	(10,775)	-	687	(687)	-
Other changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(125)	(125)
Capital transactions with owners	-	(6,303)	-	(1,730,496)	(865,248)	-	-	1,020	(2,601,026)	-	(62,491)	(2,663,518)
Gain (loss) on interest in subsidiaries with no change in control	-	(2,795)	-	-	-	-	-	-	(2,795)	-	2,795	-
Unclaimed dividend	-	-	-	-	-	-	-	1,020	1,020	-	-	1,020
Dividend proposal approved	-	-	-	(1,730,496)	(865,248)	-	-	(2,595,744)	(2,595,744)	-	(65,286)	(2,661,030)
Others changes	-	(3,508)	-	-	-	-	-	-	(3,508)	-	-	(3,508)
Balance at September 30, 2021	9,388,071	(1,650,078)	1,218,283	4,072,689	-	308,586	(2,059,396)	3,477,898	14,756,053	5,168	299,340	15,060,560
Balance at December 31, 2021	9,388,071	(1,646,145)	1,455,685	4,072,689	3,735,932	301,237	(2,161,267)	-	15,146,202	4,724	1,654,954	16,805,879
Total comprehensive income	-	-	-	-	-	-	7,999	3,762,584	3,770,584	-	80,706	3,851,289
Profit for the period	-	-	-	-	-	-	-	3,762,584	3,762,584	-	81,186	3,843,770
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	(9,284)	-	(9,284)	-	(480)	(9,765)
Other comprehensive income - actuarial gains (losses)	-	-	-	-	-	-	17,283	-	17,283	-	-	17,283
Internal changes in equity	-	-	-	-	-	(20,397)	-	20,397	-	(1,333)	1,323	(11)
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	(30,904)	-	30,904	-	(2,020)	2,020	-
Tax effect on realization of deemed cost	-	-	-	-	-	10,507	-	(10,507)	-	687	(687)	-
Other changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(11)	(11)
Capital transactions with owners	-	242,856	-	-	(3,735,932)	-	-	-	(3,493,077)	-	(1,428,001)	(4,521,076)
Business combination (note 10)	-	242,781	-	-	-	-	-	-	242,781	-	(1,360,387)	(1,117,606)
Gain (loss) on interest in subsidiaries with no change in control	-	74	-	-	-	-	-	-	74	-	527	601
Dividend proposal approved	-	-	-	-	(3,735,932)	-	-	-	(3,735,932)	-	(68,139)	(3,804,071)
Balance at September 30, 2022	9,388,071	(1,403,290)	1,455,685	4,072,689	-	280,840	(2,153,268)	3,782,981	15,423,709	3,391	308,982	15,736,082

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



CPFL Energia S.A.
Statements of cash flow for the periods ended September 30, 2022 and 2021
(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Profit before taxes	3,744,214	3,507,586	5,435,388	5,006,347
Adjustment to reconcile profit to cash from operating activities				
Depreciation and amortization	289	312	1,461,596	1,289,048
Provision for tax, civil and labor risks	993	674	166,596	93,265
Allowance for doubtful accounts	-	-	245,471	260,195
Interest on debts, monetary adjustment and exchange rate changes	41,298	(20,957)	1,387,989	86,196
Pension plan expense (income)	-	-	145,013	170,217
Equity interests in subsidiaries, associates and joint ventures	(3,812,846)	(3,513,878)	(384,783)	(387,405)
Loss (gain) on disposal of noncurrent assets	-	-	103,461	107,984
Renegotiation of hydrological risk	-	-	-	(175,904)
Others	-	-	(153,403)	(89,419)
	<u>(26,052)</u>	<u>(26,263)</u>	<u>8,407,326</u>	<u>6,360,524</u>
Decrease (increase) in operating assets				
Consumers, concessionaires and licensees	-	-	204,255	(102,736)
Dividend and interest on capital received	2,971,200	1,396,092	354,372	119,833
Taxes recoverable	(22,432)	5,880	628,820	(83,266)
Escrow deposits	105	74	(18,693)	23,231
Sector financial asset	-	-	1,388,389	(2,364,063)
Receivables - CDE	-	-	(25,573)	(24,635)
Additions to transmission assets	-	-	(451,090)	(89,862)
Other operating assets	754	619	693,960	(351,171)
Increase (decrease) in operating liabilities				
Trade payables	(384)	(2,609)	(1,031,937)	724,231
Other taxes and social contributions	(5,235)	(1,698)	(590,713)	95,296
Other liabilities with private pension plan	-	-	(505,630)	(275,484)
Regulatory charges	-	-	(476,699)	315,866
Tax, civil and labor risks paid	(970)	(564)	(155,185)	(167,850)
Sector financial liability	-	-	630,608	(449,107)
Payables - CDE	-	-	(2,309)	(34,006)
Other operating liabilities	(6,108)	(8,656)	327,534	242,830
Cash flows provided (used) by operations	2,910,878	1,362,875	9,377,434	3,939,626
Interest paid on debts and debentures	-	-	(981,002)	(418,073)
Income tax and social contribution paid	(10,364)	(13,779)	(1,410,318)	(1,072,117)
Cash flows provided (used) by operations activities	2,900,514	1,349,096	6,986,113	2,449,436
Investing activities				
Capital decrease of shareholders	-	-	266,606	-
Business combinations net of cash acquired	-	-	(1,119,412)	-
Purchases of property, plant and equipment	(809)	-	(211,038)	(384,277)
Purchases of contract asset	-	-	(3,487,345)	(2,155,549)
Purchases and construction of intangible assets	(37)	(1,297)	(14,019)	(16,302)
Securities, pledges and restricted deposits - investment	-	-	(443,382)	(139,362)
Securities, pledges and restricted deposits - redemption	-	-	708,988	1,722,061
Advances for future capital increases	(1,029,620)	-	-	-
Intragroup loans to subsidiaries	(9,041)	-	-	-
Receiving of intragroup loans from subsidiaries	59,500	-	-	-
Others	-	-	-	552
Net cash generated by (used) in investing activities	(980,007)	(1,297)	(4,299,602)	(972,877)
Financing activities				
Borrowing and debentures raised	-	-	6,915,378	3,904,114
Repayment of principal of borrowings and debentures	-	-	(5,630,344)	(3,736,568)
Repayment of derivatives	(57,695)	-	(239,668)	826,503
Dividend and interest on capital paid	(1,862,293)	(1,725,223)	(1,903,774)	(1,755,599)
Net cash generated by (used in) financing activities	(1,919,988)	(1,725,223)	(858,408)	(761,550)
Net increase (decrease) in cash and cash equivalents	519	(377,424)	1,828,103	715,009
Cash and cash equivalents at the beginning of the period	8,287	395,745	2,199,952	3,918,796
Cash and cash equivalents at the end of the period	8,806	18,322	4,028,055	4,633,805

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



CPFL Energia S.A.
Statements of value added for the periods ended September 30, 2022 and 2021
(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	2022	2021	2022	2021
	9 months	9 months	9 months	9 months
1. Revenues	588	(3,125)	40,784,992	40,988,645
1.1 Operating revenues	46	38	36,753,647	38,689,001
1.2 Revenues related to the construction of own assets	542	(3,163)	408,780	395,143
1.3 Revenue from infrastructure construction of the concession	-	-	3,868,035	2,164,696
1.4 Allowance for doubtful accounts	-	-	(245,471)	(260,195)
2. (-) Inputs	(9,691)	(3,092)	(20,699,443)	(22,723,765)
2.1 Electricity Purchased for Resale	-	-	(15,048,201)	(18,919,572)
2.2 Material	(1,025)	(112)	(2,703,783)	(1,732,874)
2.3 Outsourced Services	(6,056)	(885)	(2,094,755)	(1,508,664)
2.4 Others	(2,610)	(2,095)	(852,704)	(562,654)
3. Gross added value (1 + 2)	(9,102)	(6,217)	20,085,549	18,264,880
4. Retentions	(289)	(312)	(1,466,864)	(1,295,277)
4.1 Depreciation and amortization	(289)	(312)	(1,228,698)	(1,079,923)
4.2 Amortization of intangible assets of the concession	-	-	(238,166)	(215,354)
5. Net added value generated (3 + 4)	(9,392)	(6,529)	18,618,685	16,969,603
6. Added value received in transfer	3,835,558	3,550,732	2,160,611	1,235,567
6.1 Financial Income	22,713	36,853	1,775,828	848,161
6.2 Equity interests in subsidiaries, associates and joint ventures	3,812,846	3,513,878	384,783	387,405
7. Added value to be distributed (5 + 6)	3,826,167	3,544,203	20,779,296	18,205,169
8. Distribution of added value				
8.1 Personnel and Charges	16,160	12,577	1,537,114	1,238,112
8.1.1 Direct Remuneration	8,404	7,070	881,403	672,151
8.1.2 Benefits	6,884	4,774	566,171	517,018
8.1.3 Government severance indemnity fund for employees - F.G.T.S	872	733	89,540	48,943
8.2 Taxes, Fees and Contributions	(14,764)	64,530	12,027,004	12,227,775
8.2.1 Federal	(14,826)	64,467	7,221,353	6,387,358
8.2.2 Estate	62	64	4,769,555	5,811,310
8.2.3 Municipal	-	-	36,096	29,107
8.3 Interest and Rentals	62,187	11,134	3,371,407	1,216,195
8.3.1 Interest	61,942	10,917	3,300,214	1,145,253
8.3.2 Rental	244	217	71,194	70,942
8.4 Interest on capital	3,762,584	3,455,962	3,843,770	3,523,087
8.4.1 Retained Earnings	3,762,584	3,455,962	3,843,770	3,523,087
	3,826,167	3,544,203	20,779,296	18,205,169

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

CPFL ENERGIA S.A.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
AT SEPTEMBER 30, 2022

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

(1) OPERATIONS

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

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

The Company has direct and indirect interests in subsidiaries and jointly controlled ventures, including 4 distributors, 115 power generation undertakings, 7 transmitters, 11 service providers and 5 holding companies/other ventures/ for more information, please refer to note 1 of the financial statements for the year ended December 31, 2021.

In April 2022, as a result of an auction as part of the unified tender offer for the mandatory acquisition of common shares through the disposal of control and voluntary acquisition of preferred shares issued by the Companhia Estadual de Transmissão de Energia Elétrica- CEEE-T (“CPFL Transmissão”) the Company now holds 99.26% of the total share capital (previously 66.08%).

1.1 - Impacts of COVID-19

Considering all analyses carried out of the possible impacts of COVID-19 on the Company’s business and that of its subsidiaries, as well as the regulatory updates during the period, for the quarter ended September 30, 2022, the Company concluded that the COVID-19 pandemic had no material effects on its interim financial statements.

The financial and economic effects of the pandemic for the Group during the coming months will depend on the outcome of the crisis and its macroeconomic impacts, especially any retraction in economic activity, as well as impacts related to further restrictions or other public health measures. The Group will continue to monitor the effects of the crisis and any impacts on their operations and interim financial statements.

More information about the COVID Account and how it affects the Group's business is disclosed in note 1.1 to the financial statements for the year ended December 31, 2021.

1.2 Net working capital

On September 30, 2022, the consolidated Interim Accounting Information presented negative net working capital in the amount of R\$ 1,049,297. The Group monitors timely the net working capital and its cash generation to pay off its debts, including dividends of R\$1,998,945, as well as the cash flow projections support and enable the plan to reduce or reverse this net working capital

(2) PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

The interim individual (Parent Company) and consolidated accounting information has been prepared and is being presented in accordance with the international accounting standards (“IFRS” – International Financial Reporting Standards), issued by the International Accounting Standards Board (“IASB”) and in accordance with accounting practices adopted in Brazil (BR GAAP).

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

Management states that all material information related to the interim financial statements is being disclosed and corresponds to the information used by the Group's management.

The interim financial statements were authorized for issue by Management on November 08, 2022.

2.2 Basis of measurement

The interim financial statements have been prepared on a historical costs basis, except for the following material items which are measured at each reporting date and recorded in the statements of financial position: i) derivative financial instruments measured at fair value; and ii) non-derivative financial instruments measured at fair value through profit or loss.

2.3 Use of estimates and judgments

The preparation of interim financial statements requires the Group's management to make use of judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses.

The main items which that require the adoption of estimates and assumptions, which are subject to a greater degree of uncertainty and could result in material adjustments if these estimates and assumptions suffer significant changes in subsequent periods, are as follow:

- Note 7 – Sectoral financial assets and liabilities;
- Note 10 – Investments – Business combination;
- Property, plant and equipment;
- Note 11 – Contract assets;
- Intangible assets;
- Note 13 – Borrowing;
- Note 14 – Debentures;
- Private pension plan;
- Note 16 – Taxes, fees and contributions;
- Note 17 –Provision for tax, civil and labor risks and escrow deposits; and
- Note 26 – Financial instruments - derivatives.

2.4 Functional currency and presentation currency

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

2.5 Segment information

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

2.6 Information on equity interests

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

On September 30, 2022 and December 31, 2021, the noncontrolling interests in the consolidated balances refer to interests held by third parties in subsidiaries CERAN, Paulista Lajeado and the not wholly-owned subsidiaries of CPFL Renováveis, CPFL Transmissão and TESB.

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Group's interim accounting information was prepared based on the same accounting policies disclosed in Note 3 – Summary of the main accounting policies, the financial statements for the year ended December 31, 2021. This condensed interim financial information is intended to update users on the relevant events and transactions that occurred during the period, and must be analyzed in conjunction with the financial statements for the year ended December 31, 2021.

(4) FAIR VALUE MEASUREMENT

The determination of the fair value of the Group's interim accounting information was carried out as described in Note 4 – Fair Value Measurement, disclosed in the financial statements for the year ended December 31, 2021, and must be analyzed together.

(5) CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Bank balances	327	332	68,326	916,324
Short-term financial investments	8,479	7,954	3,959,729	1,283,628
Overnight investment (a)	-	7,954	210	13,827
Private credit notes (b)	8,479	-	3,691,767	1,195,745
Investment funds (c)	-	-	267,752	74,055
Total	8,806	8,287	4,028,055	2,199,952

- a) Bank account balances, which earn daily interest by investment in repurchase agreements secured on Bank Certificate Deposit (CDB) and interest of 20% of the variation in the Interbank Certificate of Deposit (CDI).
- b) Short-term investments in: (i) Bank Certificates of Deposit (CDB) amounting to R\$ 3,266,372 (R\$ 716,939 in December 31, 2021), and (ii) secured debentures amounting to R\$ 425,395 (R\$ 478,806 in December 31, 2021). All with major financial institutions that operate in the Brazilian financial market, with daily liquidity, short term maturity, low credit risk and interest equivalent, on average, to 99,94% of the CDI (98,52% of the CDI in December 31, 2021).
- c) Represents amounts invested in funds with high liquidity and equivalent remuneration, on average 101,2% of the CDI (101,4% of the CDI on December 31, 2021), having as characteristics post-fixed investments in CDI backed by securities federal government, CDB's, financial bills and committed debentures of large financial institutions with low credit risk and short-term maturity.

(6) TAXES RECOVERABLE

	Consolidated	
	September 30, 2022	December 31, 2021
<u>Current</u>		
Prepayments of social contribution – CSLL	2,416	4,641
Prepayments of income tax - IRPJ	3,472	19,459
Income tax and social contribution to be offset	154,348	72,983
Income tax and social contribution to be offset	160,236	97,083
Withholding income tax - IRRF on interest on capital	36	7,817
Withholding income tax - IRRF	107,238	73,311
State VAT - ICMS to be offset	320,636	186,451
Social Integration Program - PIS	27,746	19,656
Contribution for Social Security Funding - COFINS	121,911	83,451
Others	4,799	4,994
Other taxes to be offset	582,366	375,680
Total current	742,602	472,763
<u>Non-current</u>		
Social contribution to be offset - CSLL	7,335	8,398
Income tax to be offset - IRPJ	104,666	108,934
Income tax and social contribution to be offset	112,001	117,332
State VAT - ICMS to be offset	381,700	271,003
Social Integration Program - PIS	2,683	2,646
Contribution for Social Security Funding - COFINS	8,864	8,647
Others	4,201	4,202
Other taxes to be offset	397,448	286,498
Total non-current	509,449	403,830

Exclusion of ICMS from PIS and COFINS calculation base

The distribution subsidiaries CPFL Brasil and CPFL Serviços filed lawsuits involving the Federal Government seeking recognition of the right to exclude ICMS from the PIS and COFINS calculation basis, as well as the right to recover amounts previously paid.

In 2019 and 2021, most subsidiaries obtained a final and unappealable decision, recording tax assets to be offset and liabilities with consumers. Also in 2021, in view of (i) the May 2021 decision of the Federal Supreme Court that rejected the motions for clarification filed by the National Treasury in the records of RE No. 574,706 which did not modify the effects of its decision for taxpayers who had lawsuits filed before March 15, 2017, and (ii) the terms of CPC 25, item 33, which discusses the concept of classification of an asset considered “practically certain”, PIS and COFINS credits were recognized in September 2021, in the subsidiaries CPFL Santa Cruz (company merged into CPFL Santa Cruz in December 2017), and RGE (company merged into RGE in December 2018). Since 2020, subsidiaries that have tax credits validated by the Brazilian Internal Revenue Service began applying them against respective debits

During the tariff readjustments in 2021 and 2022 of the subsidiaries CPFL Santa Cruz, CPFL Paulista, RGE Sul and Piratininga, anticipation of the reversal of amounts arising from credits arising from the aforementioned lawsuits was considered as an extraordinary negative financial component in the amount of R\$ 155,807, R\$ 773,880, R\$ 886,746 and R\$ 434,863, respectively.

It is important to point out that, based on the opinion of its legal advisors, the Company understands that, for distributors, the need for reimbursement to consumers of amounts received after the final and unappealable judicial decision, such as PIS and COFINS tax credits, is limited to the statute of limitations of ten years. This position was even expressed by the Company through a contribution presented in the process of Public Consultation No. 05/2021, which is still in progress.

On June 28, 2022, Law No. 14,385 was published, which requires ANEEL to promote, in tariff proceedings, the full allocation of the relevant credit for the benefit of consumers. The Group considers that such legal provision does not deprive it of the right to have the credits comprised by limitation term of over 10 years (negative prescription) reverted in favor of its subsidiaries. Thus, the Group awaits the regulation and operationalization of the matter by ANEEL and will evaluate, in due course, appropriate measures to safeguard its right.

Therefore, the Group's accounting decision, at this time, not to record any tax credit to its favor does not mean any waiver of rights.

(7) SECTORAL FINANCIAL ASSETS AND LIABILITIES

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

	Consolidated									
	At December 31, 2021			Operating revenue (note 20)		Adjustment for inflation	Others	At September 30, 2022		
	Deferred	Approved	Total	Constitution	Through billing			Deferred	Approved	Total
Parcel "A"	2,373,119	582,769	2,955,886	(763,206)	(910,109)	231,909	(339,040)	315,810	859,631	1,175,440
CVA (1)										
CDE (2)	(137,471)	21,916	(115,556)	798,166	(101,646)	38,239	-	458,862	160,341	619,203
Electrical energy costs	(228,156)	(187,046)	(415,202)	(2,375,882)	767,547	(109,174)	(103,304) ⁽⁴⁾	(1,300,078)	(935,937)	(2,236,015)
ESS and EER (3)	1,415,965	150,042	1,566,007	(1,068,761)	(455,470)	70,075	(230,564) ⁽⁴⁾	(681,722)	563,008	(118,713)
Proinfa	992	23,178	24,170	145,818	(56,960)	11,068	-	65,235	58,862	124,097
Basic network charges	112,460	121,316	233,776	211,014	(160,027)	19,434	-	221,831	82,366	304,197
Pass-through from Itaipu	1,554,343	526,707	2,081,050	568,106	(1,089,009)	190,199	(5,172) ⁽⁵⁾	597,536	1,147,638	1,745,174
Transmission from Itaipu	865	16,501	17,366	14,656	(14,833)	973	-	18,406	(244)	18,161
Neutrality of sector charges	(86,990)	(50,423)	(137,413)	(47,174)	74,124	(5,381)	-	(76,839)	(39,006)	(115,845)
Overcontracting	(258,889)	(39,422)	(298,312)	990,913	126,165	16,475	-	1,012,639	(177,397)	835,242
Billed tariff flag	-	-	-	(61)	-	-	-	(61)	-	(61)
Other financial components	440,582	(205,994)	234,588	110,839	1,134,210	65,910	(3,253,748) ¹	(631,743)	(1,076,457)	(1,708,201)
Total	2,813,701	376,775	3,190,474	(652,367)	224,101	297,819	(3,592,788)	(315,934)	(216,826)	(532,761)
Current assets			2,373,727							107,290
No-ncurent assets			816,748							57,270
Current liabilities			-							(371,125)
Non-current liabilities			-							(326,195)

(1) Account for Compensation of variation in the amounts of Parcel "A" items

(2) Energy Development Account

(3) System Service Charge ("ESS") and Reserve Energy Charge ("EER")

(4) Receipt of Water Scarcity Account

(5) Receipt of Itaipu Commercialization Account

(6) Approval of the recovery of PIS/COFINS credit and receipt of the Water Scarcity and Itaipu Commercialization Account and CDE Eletrobrás

Receipt - Water scarcity account:

Decree No. 10,939/2022 regulates measures aimed at addressing the financial impacts on the electricity sector resulting from the situation of water shortage. The creation of the Water Shortage Account, later regulated by ANEEL through Public Consultation No. 02/2022, was authorized, resulting in the publication of Normative Resolution No. 1,008/2022.

The Group expressed its accession to the program through a the Term of Acceptance, and had the resources approved through Order No. 1,177/2022, with the receipt of R\$ 798,700 In nine months periods of 2022, to cover the costs of: i) "Energy Imports", in an amount of R\$ 103,304; ii) "Costs associated with the Incentive for the Voluntary Reduction of the Electricity Program (Bonus)", in the amount of R\$ 230,564; and iii) "Deferral of the 2021 Tariff Review", in the amount of R\$ 464,832.

Approval of the reimbursement of PIS/COFINS credit

ANEEL, as part of the annual tariff adjustment ("RTA") of April 5, 2022, of CPFL Paulista, through Homologatory Resolution ("REH") No. 3,018, recognized a regulatory liability arising from the anticipation of PIS/COFINS credits, related to the exclusion of ICMS from the PIS/COFINS calculation base, in the amount of R\$ 400,000, which will be updated by the SELIC rate.

The RGE RTA dated June 21, 2022, took into consideration the recognition of regulatory liabilities, arising from PIS/COFINS credits, related to the exclusion of ICMS from the PIS/COFINS calculation base, in the amount of R\$ 657,746, which will be updated by SELIC.

Additionally, on July 13, 2022, ANEEL published REH No. 3,058 (regarding CPFL Paulista) and 3,059 (regarding CPFL Santa Cruz), regarding the extraordinary tariff adjustment ("RTE") which included the reimbursements to consumers, of PIS/COFINS credits previously recorded for the PIS/COFINS reimbursement to consumers, reducing the total average effect perceived by consumers by 2.44% and 2.32% for CPFL Paulista and CPFL Santa Cruz, respectively.

The CPFL Piratininga RTA dated October 23, 2022, took into consideration the recognition of regulatory liabilities, arising from PIS/COFINS credits, related to the exclusion of ICMS from the PIS/COFINS calculation base, in the amount of R\$ 434,863, which will be updated by SELIC.

Receipt - CDE Eletrobrás

As provided in CNPE Resolution No. 15/2021, part of the resources arising from the Privatization of Eletrobrás will be allocated to tariff modicity through contributions to the CDE Sector Fund, beginning in 2022 and ending in 2047. During this period, the annual resources contributed to the CDE Sector Fund will be passed on to distributors for reversal in subsequent tariff processes for the benefit of consumers. The 2022 transfer occurred in July, whose amount of R\$ 711,593 was approved through Resolution No. 1,959.

Changes due to the 2022 revision the Electricity Sector Accounting Manual - ESAM

ANEEL, through Order No. 2.904 of September 17, 2021, approved the 2022 revision to the ESAM, effective from January 1, 2022, with the main changes involving sectoral financial assets and liabilities were: (i) change in the accounting of the billed tariff flag not yet approved by the Conta Centralizadora dos Recursos de Bandeiras Tarifárias ("CCRBT") for sectoral financial assets or liabilities, previously recorded at regulatory rates (note 14), and (ii) change in the accounting of sectoral financial assets and liabilities by tariff cycle (approved and deferred).

The details of the nature of each sectoral financial asset and liability are provided in Note 9 to the financial statements at December 31, 2021.

(8) CONCESSION FINANCIAL ASSETS

	Consolidated
At December 31, 2021	13,281,686
Non-current	13,281,686
Fair value adjustment	706,066
Transfer - contract asset	1,836,399
Transfer - intangible asset	(4,473)
Disposals	(67,022)
At September 30, 2022	15,752,655
Non-current	15,752,655

In nine months periods of 2022, the balance of write-offs of R\$ 67,022 (R\$ 55,828 in nine months periods of 2021) refers to write-off of the adjustment related to the asset in the amount of R\$ 29,569 (R\$ 19,852 in nine months periods of 2021) and write-off of the asset of R\$ 37,454 (R\$ 35,976 in nine months periods of 2021).

(9) OTHER ASSETS

	Consolidated			
	Current		Non-current	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Advances - Pension plan	4,038	8,877	-	6,797
Advances to suppliers	33,122	43,814	-	-
Pledges, funds and restricted deposits	68,151	27,214	19,502	18,026
Orders in progress	471,676	440,863	6,348	10,594
Services rendered to third parties	31,674	36,129	-	-
Energy pre-purchase agreements	-	-	518	3,015
Prepaid expenses	115,125	119,436	13,856	17,045
Receivables - CDE	215,350	189,776	-	-
Advances to employees	45,885	27,536	-	-
Incentive program for the voluntary reduction of electricity consumption	4,435	371,511	-	-
Borrowings	-	187,180	-	-
Others	255,930	296,148	170,778	144,022
(-) Allowance for doubtful debts	(39,289)	(30,138)	-	-
Total	1,203,436	1,718,346	211,001	199,500

Program to encourage voluntary reduction of electricity consumption - bonuses granted to consumers of distribution subsidiaries in the invoices of January and February 2022. The bonus was funded by specific sector charge, called System Service Charges (ESS), passed on by CCEE to distributors, mostly in the accounting of the January CCEE, settled in March of this same year.

Borrowings – In December 31, 2021 refers to a borrowing raised between the indirect subsidiary CPFL Transmissão and Companhia Estadual de Distribuição de Energia Elétrica (CCEE-D), previously a partner company. Fully received in the 3rd quarter of 2022.

(10) INVESTMENTS

	Parent Company		Consolidated	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
By equity method of the subsidiary and joint venture	14,976,778	14,517,982	960,196	1,194,622
Advance for future capital increase	1,029,620	-	-	-
Subtotal	16,006,398	14,517,982	960,196	1,194,622
Fair value of assets, net	360,461	416,805	7,887	8,322
Goodwill	6,054	6,054	-	-
Total	16,372,913	14,940,841	968,084	1,202,944

The movements, in the parent company's financial statements, of the balances of investments in subsidiaries during the period, is as follow:

Investment	Investment at December 31, 2021	Share of profit (loss) of investees	Other comprehensi ve income	Dividend and Interest on capital	Advances for future capital increases	Others	Investment at September 30, 2022
CPFL Paulista	1,551,033	993,534	(2,968)	(1,139,828)	-	-	1,401,772
CPFL Piratininga	387,459	438,740	15,563	(393,928)	-	-	447,834
CPFL Santa Cruz	432,359	70,063	(177)	(64,494)	-	-	437,750
RGE	3,271,259	681,967	(1,952)	(526,812)	-	-	3,424,462
CPFL Geração	4,207,597	958,367	-	(1,170,400)	-	281	3,995,845
CPFL Renováveis	2,815,646	402,416	-	(301,510)	-	272	2,916,825
CPFL Jaguarí Geração	59,214	1,215	-	(19,106)	-	-	41,323
CPFL Brasil	1,319,878	216,318	(2,467)	-	1,029,620	242,303	2,805,652
CPFL Planalto	3,014	3,288	-	(2,384)	-	-	3,919
CPFL Serviços	183,357	21,674	-	-	-	-	205,032
CPFL Atende	17,645	1,587	-	(3,510)	-	-	15,722
CPFL Infra	4,841	4,748	-	(4,243)	-	-	5,346
CPFL Pessoas	8,004	9,660	-	(7,031)	-	-	10,633
CPFL Finanças	12,565	15,353	-	(12,103)	-	-	15,815
CPFL Supri	5,432	8,873	-	(4,442)	-	-	9,864
CPFL Telecom	3,293	229	-	-	-	-	3,521
CPFL Eficiência	145,850	7,056	-	(11,461)	-	-	141,446
AUTHI	12,650	824	-	-	-	-	13,474
Alesta	76,627	33,098	-	-	-	-	109,725
Clion	260	179	-	-	-	-	439
	14,517,982	3,869,189	7,999	(3,661,250)	1,029,620	242,856	16,006,398

Business combination

Acquisition of Companhia Estadual de Transmissão de Energia Elétrica (“CPFL Transmissão”) by Cone Sul (subsidiary of CPFL Brasil)

On July 16, 2021, subsidiary CPFL Cone Sul was ranked first in the scope of Auction No. 01/2021, referring to disposal of shareholding control of CPFL Transmissão, held by B3 - Brasil, Bolsa, Balcão S.A. (“Auction”).

CPFL Energia, within the scope of the public session of the Auction, through CPFL Cone Sul, presented the winning offer, amounting to two billion, six hundred and seventy million reais (R\$ 2,670,000), for the acquisition of shares representing approximately 66.08% of the total capital stock of CPFL Transmissão (approximately 67.12% of common shares and 0.72% of preferred shares), previously held by the state of Rio Grande do Sul. The portion of 33.92% of non-controlling interests was measured by the proportional share in fair value, as provided for by CPC 15/IFRS 3.

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

On October 14, 2021 (“acquisition date”), a Material Fact was announced to the market that the acquisition was concluded after all conditions precedent for the transaction were met, when CPFL Transmissão’s control was undertaken by CPFL Cone Sul and the ownership of the shares was transferred and the payment made. This acquisition resulted in a business combination in accordance with CPC 15 (R1)/IFRS 3, as CPFL Cone Sul now controls CPFL Transmissão.

On April 2022, the auction of the unified public offer for the mandatory acquisition of common shares through the voluntary and control sale of preferred shares issued by CPFL Transmissão was carried out. As a result of this auction, CPFL Cone Sul paid the consideration of R\$ 1,119,412, for the acquisition of 33.18% and the capital reserve of R\$ 250,347 in net equity, CPFL Cone Sul became then the holder of 99.26% of CPFL Transmissão’s total share capital (previously 66.08%). The acquisition is in line with CPFL Energia’s strategic objective and will enable greater value creation for its shareholders, through (i) optimization of operating expenses; (ii) exploration of a low-risk asset with a high potential for expanding investments and consequent increase in remuneration; (iii) diversification of CPFL Energia’s portfolio through a segment that will allow synergies with the other operations of the Group; and (iv) optimization of financing conditions, improving financial leverage.

As mentioned in note 1 CPFL Transmissão holds a 96.85% (94.22% at December 31, 2021) interest in Transmissora de Energia Sul Brasil S.A. (“TESB”) and fully consolidates its financial statements. Additionally, CPFL Transmissão holds a 9.65% investment in TPAE (Transmissora Porto Alegreense de Energia) and 10% in ETAU (Empresa de Transmissão do Alto Uruguai).

Its administrative head office is located in the city of Porto Alegre, state of Rio Grande do Sul, with the state of Rio Grande do Sul as the controlling shareholder until October 13, 2021. Non-controlling interests were measured by the proportional share in the calculated fair value.

CPFL Transmissão has 6,037 km of transmission lines, 72 substations and holds three concessions for the exploitation of public electricity transmission services:

- a. Concession Agreement No. 055/2001: With Provisional Executive Order (MP) No. 579 in effect (Law No. 12,783/2013), the term of the Concession Agreement was extended for another 30 years and is valid through December 31, 2042;
- b. Concession Agreement No. 080/2002: Effective for thirty (30) years, as of the start of operation of the respective transmission facilities, and may be renewed for an equal period. The end of this concession is scheduled for December 18, 2032;
- c. Concession Agreement No. 4/ 2021-ANEEL: Works in progress with an established deadline for energization until September 30, 2024. The end of this concession is scheduled for March 31, 2051.

TESB has a concession agreement for the exploitation of public electricity transmission services, Agreement No. 001/2011-ANEEL and has a term of thirty (30) years, as of the date the contract is signed. The end of this concession is scheduled for July 27, 2041.

Additional information regarding the acquisition (acquisition of CPFL Transmissão)

a) Considerations

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

b) Assets acquired, liabilities recognized and non-controlling interests at the acquisition date

The allocation of the price paid for the assets and liabilities acquired as well as the initial accounting for the acquisition of CPFL Transmissão was determined for the financial statements as of October 14, 2021 and at the end of the base period of the consolidated financial statements, based on analyses conducted by Management, that is, the measurement of fair value was carried out on a provisional basis, as permitted by technical pronouncement CPC 15/IFRS 3. Valuation techniques vary according to the group of accounts evaluated, and can be: income approach, cost approach, among others.

Considering the complexity involved in the process of measuring fair values of acquired assets and assumed liabilities, which involves mainly the definition of assumptions about the discount rate, growth rate and projection of revenues and operating margins of the acquired company, the final fair values were reassessed and corroborated through the economic-financial appraisal report prepared by an independent appraiser, concluded on October 31, 2022.

As a result, reclassifications were made between balance sheet lines in the amounts provisionally allocated on October 14, 2021, referring to (i) increase in current and non-current contractual assets; (ii) completion of the allocation of the fair value of the intangible asset of the exploration of the concession, as a result of the refinement of the assumptions used to determine the balances; (iii) increase in investments; (iv) increase in the balances of fixed assets as a result of the allocation of capital gains; (v) reduction in the balance of provisions for tax, civil and labor risks, as a consequence of the refinement of the assumptions used; (vii) respective deferred income tax and social contributions impacts. These reclassifications are within the measurement period, as provided for in CPC 15(R1) / IFRS 3.

The acquisition-related costs, recorded as an expense in the 2021 statement of profit or loss, amounted to R\$ 24,550.

The provisional allocation of the price paid to the fair values of the assets and liabilities acquired is presented below:

	October 14, 2021 CPFL Transmissão	October 14, 2021 CPFL Transmissão
	Preliminary	Final
<u>Current assets</u>		
Cash and cash equivalents	478,405	478,405
Concessionaires and licensees	109,389	109,389
Investments in Government Bonds	110,763	110,763
Contract assets	787,504	788,010
Intangible exploration concession	-	33,894
Other assets	108,205	108,205
<u>Noncurrent assets</u>		
Contract assets	3,315,027	3,332,086
Borrowings disposed	205,490	205,490
Asset available for sale	217,552	217,552
Investments	12,960	42,827
Property, plant and equipment	91,975	190,854
Intangible exploration concession	849,070	686,354
Intangible	20,937	22,430
Other assets	104,194	104,194
<u>Current liabilities</u>		
Suppliers	34,244	34,244
Labor obligations	57,713	57,713
Borrowings, financing and other funding	50,291	50,291
Provision for employee benefits	97,658	97,658
Provision for tax, civil and labor risks	18,884	18,884
Other current liabilities	118,975	118,975
<u>non-current liabilities</u>		
Borrowings, financing and other funding	624,793	624,793
Provision for employee benefits	619,674	619,674
Provision for tax, civil and labor risks	296,509	294,515
Deferred income tax and social contribution	243,368	254,201
Other noncurrent liabilities	209,054	209,054
Net assets acquired	4,040,307	4,050,450
<u>Goodwill arising in acquisition</u>		
Consideration paid, net	2,670,000	2,670,000
(+) Participation of noncontrolling interests	1,370,307	1,380,450
(-) Fair value of net assets acquired	(4,040,307)	(4,050,450)
goodwill	-	-

Additionally, no fair value adjustment of assets and liabilities was recognized in the period between the acquisition date and the base date of the consolidated financial statements.

c) Contingent consideration

There is no clause in the agreement related to contingent consideration to be paid to the seller.

d) Indemnification assets

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

e) Contingent liabilities recognized

Following are the contingent liabilities provisionally recognized in the amount of R\$105,353 at the acquisition date:

	CPFL Transmissão October 14, 2021
Labor lawsuits (i)	50,822
Civil lawsuits (i)	18,456
Other lawsuits (i)	36,075
Preliminary contingent liabilities	105,353
Provisions recognized in the subsidiaries	208,046
Provisions for tax, civil and labor risks	313,399

i. These amounts represent the fair values of labor, civil, regulatory and tax proceedings whose concept fits into contingent liabilities that can be measured reliably. Considering that the settlement of these proceedings depends on third parties, whether at judicial or administrative levels, it is not possible to estimate a timetable for the occurrence of potential cash outflows associated with these contingent liabilities. No indemnification assets were recognized for these contingent liabilities.

f) Receivables acquired

The fair value of the receivables acquired is R\$ 109,389, which is the same gross contractual value of the receivables and represents Management's best estimate of expected receipt.

g) Acquired assigned borrowings

The fair value of the assigned borrowings acquired is R\$205,490, which is the same gross contractual value of the receivables and represents Management's best estimate of expected receipt.

h) Provision for employee benefits

The fair value of the provision for employee benefits was measured considering Management's best estimate.

i) Net cash outflow on acquisition

Considering that CPFL Transmissão had a cash balance of R\$ 478,405 on October 14, 2021 and that the consideration transferred amounted to R\$2,670,000, the net cash outflow on acquisition was R\$ 2,191,595.

j) Financial information of the acquiree

In the three-month period ended December 31, 2021, CPFL Transmissão contributed with a revenue of R\$ 289,919 and profit of R\$ 41,141 to the consolidated financial statements. Had the acquisition taken place at January 1, 2021, Management estimates that consolidated revenue of CPFL Energia would be R\$ 40,092,461 and consolidated profit for the year would be R\$5,131,461. To determine these amounts, Management took into account that the fair value adjustments, determined at the acquisition date, would be the same if the acquisition had taken place on January 1, 2021.

(11) CONTRACT ASSET

	Distribution	Transmission	Consolidated
At December 31, 2021	1,826,598	4,859,407	6,686,005
Current	-	845,025	845,025
Non-current	1,826,598	4,014,382	5,840,980
Additions	3,531,520	478,180	4,009,700
Transfer - intangible assets in service	(701,162)	-	(701,162)
Transfer - financial assets	(1,850,157)	-	(1,850,157)
Monetary adjustment	-	232,161	232,161
Cash inputs - RAP	-	(28,345)	(28,345)
Business combination	-	17,565	17,565
Disposal and transfer - other assets	-	26,594	26,594
At September 30, 2022	2,806,799	5,585,561	8,392,360
Current	-	688,166	688,166
Non-current	2,806,799	4,897,395	7,704,194

(12) TRADE PAYABLES

	Consolidated	
	September 30, 2022	December 31, 2021
<u>Current</u>		
System service charges	2,119	926,667
Energy purchased	1,803,149	2,064,676
Electricity network usage charges	462,445	343,755
Materials and services	776,729	759,070
Free market energy	180,568	175,432
Total	3,225,011	4,269,598
<u>Non-current</u>		
Energy purchased	407,501	378,388
Materials and services	21,571	29,694
Total	429,073	408,082

(13) BORROWING

Category	At December 31, 2021	Raised	Repayment	Interest, monetary adjustment and fair value measurement	Exchange rates variation	Interest paid	At September 30, 2022
Local currency							
Measured at cost							
Pre fixed	8,268	-	(4,850)	123	-	(130)	3,411
Post fixed							
TJLP	452,301	-	(39,201)	27,161	-	(25,337)	414,924
IPCA	4,640,334	769,159	(191,789)	459,909	-	(186,506)	5,491,106
CDI	1,075,836	2,209,620	(2,182,400)	133,235	-	(108,603)	1,127,688
IGP-M	29,205	-	(13,366)	3,954	-	(1,680)	18,113
Subtotal	6,205,945	2,978,779	(2,431,606)	624,382	-	(322,256)	7,055,242
Measured at fair value							
Pre fixed	578,983	-	-	28,856	-	(29,879)	577,960
Fair value measurement	(43,009)	-	-	5,744	-	-	(37,265)
Subtotal	535,975	-	-	34,600	-	(29,879)	540,695
Total at local currency	6,741,919	2,978,779	(2,431,606)	658,981	-	(352,135)	7,595,937
Borrowing costs	(47,032)	(6,747)	-	12,184	-	-	(41,595)
Foreign currency							
Measured at cost							
US Dollars	649,363	-	(583,635)	5,762	(25,982)	(45,508)	-
Subtotal	649,363	-	(583,635)	5,762	(25,982)	(45,508)	-
Measured at fair value							
US Dollars	4,869,460	673,574	(550,357)	77,758	(136,008)	(79,719)	4,854,708
Euro	2,421,705	-	(524,832)	7,185	(368,369)	(7,716)	1,527,974
Fair value measurement	(172,545)	-	-	(177,831)	-	-	(350,376)
Subtotal	7,118,620	673,574	(1,075,189)	(92,887)	(504,377)	(87,435)	6,032,306
Total at foreign currency	7,767,983	673,574	(1,658,824)	(87,125)	(530,359)	(132,944)	6,032,306
Total	14,462,869	3,645,607	(4,090,430)	584,040	(530,359)	(485,079)	13,586,647
Current	2,246,711						2,689,271
Non-current	12,216,158						10,897,376

Borrowing costs - According to IFRS 9/CPC 48, these refer to borrowing costs directly attributable to the issuance of the respective debts, measured at cost.

During the nine-month period of 2022, R\$ 1,989,619 of commercial notes, whose original maturities ran until April 2024, were settled in advance.

Additions during the period:

Category Subsidiary	Released (R\$ thousand)		Interest payment	Repayment	Utilization	Annual rate and effective annual rate	Effective rate with derivative
	Total approved	Released in 2022					
Local currency							
IPCA - BNDES							
CPFL Paulista	312,596	62,521	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
CPFL Paulista	1,002,912	200,587	Quarterly	Bullet in June 2027	Investment plan	IPCA + 4.34%	not applicable
CPFL Santa Cruz	244,385	48,945	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
RGE	353,019	70,607	Quarterly until July 2023	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
RGE	1,132,601	226,532	Quarterly	Bullet in June 2027	Investment plan	IPCA + 4.34%	not applicable
CPFL Piratininga	424,488	84,968	Quarterly	Monthly from July 2023	Investment plan	IPCA + 4.34%	not applicable
CPFL Renováveis - SPE Cherobim	221,936	60,000	Quarterly	Monthly from July 2024	Investment plan	IPCA + 4.18%	not applicable
Transmissão Maracanã	42,422	15,000	Quarterly	Monthly from September 2022	Investment plan	IPCA + 3.14%	not applicable
CDI - Commercial notes							
CPFL Cone Sul	1,180,000	1,177,001	Semiannually	Bullet in April 2023	Investment plan	CDI + de 1.05% a 1.35%	not applicable
CPFL Paulista	650,000	647,685	Bullet in October 2024	Bullet in October 2024	Investment plan	CDI + 0.96%	not applicable
CPFL Geração	379,620	378,186	Bullet in October 2024	Bullet in October 2024	Investment plan	CDI + 0.96%	not applicable
Foreign currency							
Law 4131							
CPFL Piratininga	118,574	118,574	Semiannually	Bullet in March 2025	Working capital	USD + 2.81%	CDI + 1.22%
CPFL Renováveis	294,000	294,000	Semiannually	Bullet in March 2024	Working capital	USD + 2.57%	CDI + 1.05%
CPFL Santa Cruz	89,000	89,000	Semiannually	Bullet in March 2025	Working capital	USD + 2.74%	CDI+1.25%
CPFL Brasil	172,000	172,000	Semiannually	Bullet in March 2024	Working capital	USD + 2.84% until March/23 after 2.92%	CDI+1.10%
	6,617,552	3,645,607					

The 2022 loans are substantially guaranteed by CPFL Energia.

Restrictive covenants

Borrowing raised by Group companies require compliance with certain restrictive financial clauses, under penalty of restrictions on the distribution of dividends and/or the early maturity of the related debts.

Furthermore, failure to comply with the obligations or restrictions may result in default in relation to other contractual obligations (cross default), depending on the terms of each borrowing agreement. The calculations are made annually or every six months, as the case may be.

For borrowing raised or for which funds were released in 2022, there were restrictive clauses related to financial ratios, as follow:

Ratios required for the consolidated financial statements of CPFL Energia

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

Ratios required in the subsidiary's financial statements

- Net indebtedness divided by adjusted EBITDA smaller than or equal to 4.0.

For other borrowing, the details of the covenants are presented in Note 18 to the financial statements as at December 31, 2021.

The Group's management monitors these ratios on a systematic and continuous basis, ensuring that all the covenants are met. At September 30, 2022, the Group's Management did not identify events or conditions of non-compliance with any financial or non-financial clauses.

(14) DEBENTURES

Category	Consolidated					At September 30, 2022
	At December 31, 2021	Raised	Repayment	Interest, monetary adjustment and fair value measurement	Interest paid	
Measured at cost - Post fixed						
CDI	5,145,242	2,294,000	(925,241)	577,943	(371,107)	6,720,837
IPCA	1,457,645	-	(614,673)	122,120	(72,805)	892,287
Total at cost	6,602,887	2,294,000	(1,539,914)	700,062	(443,912)	7,613,124
Borrowing costs (*)	(50,188)	(6,229)	-	37,081	-	(19,336)
Measured at fair value - Post fixed						
IPCA	1,539,051	982,000	-	144,500	(52,011)	2,613,539
Fair value measurement	(138,748)	-	-	(133,081)	-	(271,829)
Total at fair value	1,400,303	982,000	-	11,419	(52,011)	2,341,711
Total	7,953,002	3,269,771	(1,539,914)	748,561	(495,923)	9,935,498
Current	1,788,125					2,672,009
Non-current	6,164,877					7,263,489

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

Debentures raised in the period:

Released (R\$ thousand)						
Category Subsidiary	Issued quantity	Released in 2022	Net of borrowing costs	Interest payment	Repayment	Financial charge and annual effective rate
IPCA						
12th Issuing - CPFL Geração	489,000	489,000	489,000	Semiannually	3 installments- May/29, Mai/30 and May/31	IPCA + 6.0265%
13th Issuing - RGE	493,000	493,000	492,920	Semiannually	2 installments- May/28 and May/29	IPCA + 5.9853%
CDI						
11th Issuing - CPFL Paulista	750,000	750,000	747,828	Semiannually	2 installments - December/27 and December/28	CDI + 1.50%
13th Issuing - CPFL Piratininga	250,000	250,000	249,170	Semiannually	2 installments- December/27 and December/28	CDI + 1.50%
14th Issuing - CPFL Piratininga	334,000	334,000	333,052	Semiannually	1 installments - February/23, other semester - May and Nov of each year until 2029	CDI + 1.47%
1th Issuing - CPFL Transmissão	960,000	960,000	957,801	Semiannually	1st series in May/27, 2nd series in 2 installments - May/28 and May/29	CDI + 1.34% and CDI + 1.47%
		3,276,000	3,269,771			

The funds raised will be used for investment, debt financing and working capital.

Restrictive covenants

The debenture agreements are subject to certain restrictive covenants, including covenants that require the Company and its subsidiaries to maintain certain financial ratios within pre-established parameters. The calculations are made either annually or every six months, as the case may be.

For borrowing raised or for which funds were released in 2022, there were restrictive clauses related to financial ratios, as follow:

Ratios required for the consolidated financial statements of CPFL Energia

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

The details of the restrictive conditions for other debentures are presented in note 19 to the Financial Statements for the year ended December 31, 2021.

The Group's Management monitors these indexes systematically and continuously, so that these conditions are met. As of September 30, 2022, all covenants, financial and non-financial clauses have been properly complied with, in the opinion of the Group's Management.

(15) REGULATORY LIABILITIES

	Consolidated	
	September 30, 2022	December 31, 2021
Financial compensation for the use of water resources - CFURH	1,716	933
Global reversal reserve - RGR	17,248	17,248
ANEEL inspection fee - TFSEE	9,382	8,949
Energy development account - CDE	46,909	46,909
Tariff flags and others	11	477,927
Total	75,267	551,966

Tariff flags and others – The balance as of December 31, 2021, mainly refers to the tariff flag (red water scarcity) billed in December 2021.

(16) TAXES, FEES AND CONTRIBUTIONS

	Consolidated	
	September 30, 2022	December 31, 2021
<u>Current</u>		
IRPJ (corporate income tax)	149,463	210,896
CSLL (social contribution on net income)	38,849	77,517
Income tax and social contribution	188,312	288,412
ICMS (State VAT)	91,854	669,830
PIS (tax on revenue)	32,900	23,340
COFINS (tax on revenue)	153,363	111,933
Income tax withholding on interest on capital	-	7,606
Other taxes	81,444	74,156
Other taxes	359,561	886,864
Total current	547,873	1,175,276
<u>Non-current</u>		
IRPJ (corporate income tax)	226,957	214,430
CSLL (social contribution on net income)	20,551	18,173
Income tax and social contribution	247,508	232,603
ICMS (State VAT)	901	874
IRPJ/CSLL installment	5,018	5,218
Other taxes	5,920	6,092
Total non-current	253,428	238,695

Tax on the movement of goods and services - ICMS - the reduction is mainly due to the changes brought by Complementary Law 194/2022 applicable to electric power distribution companies (reduction of the ICMS rate on electricity and non-incidence of ICMS on transmission and distribution services and sectoral charges related to operations with electricity).

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

	Consolidated			
	September 30, 2022		December 31, 2021	
	Provision for tax, civil and labor risks	Escrow deposits	Provision for tax, civil and labor risks	Escrow deposits
Labor	467,587	176,449	435,822	150,788
Civil	434,701	45,086	416,029	45,319
Tax				
Income Tax and social contribution	-	458,377	-	438,106
Others	113,720	238,052	92,046	224,636
	113,720	696,429	92,046	662,742
Others	92,692	615	91,467	131
Total	1,108,700	918,579	1,035,364	858,981

Possible loss

One of the main cases refers to litigation concerning the deductibility for income tax purposes of expenses recognized in 1997 relating to novation of debt in connection with the pension plan of employees of subsidiary CPFL Paulista to Fundação CESP ("VIVEST") in the estimated amount of R\$ 1,565,675, with escrow deposits in the amount of R\$ 25,481 and financial guarantees (insurance and letters of guarantee) in the total amount of R \$ 1,760,056, under the terms required by the relevant procedural law the litigation includes interest that was levied on the escrow deposit withdrawn by the Company, in the amount of R\$ 279,632 and that is deposited in court.

On 2019, the special appeal of the main proceeding was judged by the Second Panel of the Higher Court of Justice (STJ), which handed down a decision unfavorable to the subsidiary whose decisions have been appealed to.

In August 2022, one of the cases ended unfavorably before the Superior Tribunal of Justice (STJ) and was referred to the Supreme Court (STF) for consideration of an Extraordinary Appeal. In October 2022, the President of the Supreme Court denied continuity to the Extraordinary Appeal based on formal and procedural aspects, without assessing the merits of the case. CPFL filed an appeal against such a decision for consideration by the Collegiate Body of the Supreme Court.

Additionally, the subsidiary has an extraordinary appeal in proceedings before the Supreme Court (STF) since 2021. A monocratic decision was given by one of the Ministers of the Second Panel, dismissing the appeal and not admitting the extraordinary appeal based on formal and procedural aspects, without assessing the merits of the case. This decision was appealed to the Collegiate of the Second Panel, whose trial began on August 12, 2022, and, after the vote of Minister Edson Fachin dismissing our appeal, the trial was suspended due to a request for a review of the files formulated by the Minister André Mendonça.

Based on the current stage of the proceedings, both in the Superior Tribunal (STJ) and in the Supreme Court (STF), and in the opinion of its legal advisors, the subsidiary remains confident in the legal grounds presented and will continue their defense before the Judiciary, maintaining the prognosis of risk of loss of the cases as possible, having in the Supreme Court a new opportunity for the analysis for the case, directed to constitutional arguments, with robust grounds, to indicate significant viability of success of the extraordinary appeals, and will continue trying to avoid possible cash outflows, if required to replace existing financial guarantees by cash deposit.

(18) EQUITY

The shareholders' interest in the Company's equity at September 30, 2022 and December 31, 2021 is shown below:

Shareholders	Number of shares			
	September 30, 2022		December 31, 2021	
	Common shares	Interest %	Common shares	Interest %
State Grid Brazil Power Participações S.A.	730,435,698	63.39%	730,435,698	63.39%
ESC Energia S.A.	234,086,204	20.32%	234,086,204	20.32%
Members of the Board of Directors	23,600	0.00%	163,600	0.01%
Members of the Executive Board	500	0.00%	2,300	0.00%
Other shareholders	187,708,438	16.29%	187,566,638	16.28%
Total	1,152,254,440	100.00%	1,152,254,440	100.00%

Dividend distribution

The General Meeting of Shareholders (GMS) of April 28, 2022, the allocation of profit for the year 2021 was approved, through a declaration of dividend in the amount of R\$ 3,735,932.

In the nine-month period of 2022, the Company paid dividends of R\$ 1,903,774.

(19) EARNINGS PER SHARE

	3rd quarter 2022	Nine months 2022	3rd quarter 2021	Nine months 2021
Numerator				
Profit attributable to controlling shareholders	1,407,996	3,762,584	1,401,850	3,455,962
Denominator				
Weighted average number of shares held by shareholders	1,152,254,440	1,152,254,440	1,152,254,440	1,152,254,440
Earnings per share	1.22	3.27	1.22	3.00

(20) NET OPERATING REVENUE

	Consolidated			
	2022		2021	
	3rd quarter	Nine months	3rd quarter	Nine months
Revenue from Eletrical Energy Operations				
Consumer class				
Residential	3,661,048	13,554,715	4,735,453	13,430,070
Industrial	1,004,808	3,199,262	1,239,265	3,451,695
Commercial	1,398,164	5,156,546	1,664,792	4,866,150
Rural	409,991	1,438,330	486,223	1,396,850
Public administration	228,665	811,635	242,404	670,276
Public lighting	217,728	762,557	294,151	748,372
Public services	284,258	970,502	363,534	996,877
Billed	7,204,661	25,893,546	9,025,823	25,560,290
Unbilled (net)	(130,239)	114,088	(63,182)	(149,932)
(-) Reclassification to Network Usage Charge - TUSD - Captive Consumers	(3,428,253)	(11,202,320)	(3,707,593)	(11,052,815)
Electricity sales to final consumers	3,646,169	14,805,314	5,255,048	14,357,543
 Furnas Centrais Elétricas S.A.	306,945	746,768	210,491	571,617
Other concessionaires and licensees	942,443	2,370,722	988,039	2,406,969
(-) Reclassification to Network Usage Charge - TUSD - Captive Consumers	(40,094)	(122,223)	(36,149)	(107,202)
Spot market energy	207,805	448,646	719,677	1,455,955
Electricity sales to wholesalers	1,417,099	3,443,913	1,882,058	4,327,339
 Revenue due to Network Usage Charge - TUSD - Captive Consumers	3,468,347	11,324,543	3,743,742	11,160,016
Revenue due to Network Usage Charge - TUSD - Free Consumers	1,248,380	3,900,505	1,246,890	3,593,089
(-) Compensation paid for failure to comply with the limits of continuity	(17,532)	(89,125)	(14,725)	(71,595)
Revenue from the construction of concession infrastructure	1,559,174	3,868,035	797,838	2,164,696
Sector financial asset and liability (Note 7)	831,960	(428,265)	1,869,802	2,813,173
Concession financial asset - fair value adjustment (Note 8)	(67,231)	676,497	271,195	752,069
Energy development account - CDE - Low-income, Tariff discounts - judicial injunctions ,and other tariff discounts	476,945	1,472,317	406,450	1,178,281
Other revenue and income	681,343	1,647,948	207,994	578,890
Other operating revenues	8,181,386	22,372,455	8,529,186	22,168,619
Total gross operating revenue	13,244,653	40,621,683	15,666,290	40,853,502
 Deductions from operating revenues				
ICMS	(680,031)	(4,763,496)	(2,034,579)	(5,806,631)
PIS	(171,545)	(489,742)	(209,692)	(576,225)
COFINS	(788,639)	(2,254,623)	(965,742)	(2,657,273)
ISS	(9,186)	(25,459)	(6,764)	(19,400)
Energy development account - CDE	(1,414,364)	(4,306,807)	(880,570)	(2,805,795)
Research and development and energy efficiency programs	(70,180)	(205,686)	(86,547)	(217,621)
PROINFRA	(86,553)	(233,436)	(52,764)	(148,445)
Tariff flags and others	-	327,584	(225,047)	(292,041)
Financial compensation for the use of water resources - CFURH	(3,491)	(8,358)	(2,808)	(6,144)
Others	(14,745)	(43,967)	(11,893)	(33,110)
	(3,238,733)	(12,003,989)	(4,476,406)	(12,562,686)
Net operating revenue	10,005,921	28,617,694	11,189,884	28,290,816

	2022		2021	
	3rd quarter	Nine months	3rd quarter	Nine months
Revenue from Elettric Energy Operations - in GWh				
Consumer class				
Residential	4,905	15,551	5,019	15,759
Industrial	2,087	6,179	2,656	7,826
Commercial	2,123	6,912	2,269	7,234
Rural	644	2,214	742	2,465
Public administration	304	977	290	898
Public lighting	500	1,482	506	1,505
Public services	439	1,318	519	1,587
Billed	11,002	34,632	12,000	37,273
Own consumption	8	26	8	26
Electricity sales to final consumers	11,010	34,658	12,009	37,299
 Furnas Centrais Elétricas S.A.	961	2,150	732	2,157
Other concessionaires and licensees	3,242	8,623	2,066	9,125
Spot market energy	3,373	7,993	1,416	5,259
Electricity sales to wholesalers	7,576	18,766	4,214	16,541

Number of consumers	Consolidated	
	September 30, 2022	September 30, 2021
Consumer class		
Residential	9,304,933	9,093,780
Industrial	52,107	53,008
Commercial	526,392	518,701
Rural	332,742	358,887
Public administration	65,127	63,654
Public lighting	10,361	10,105
Public services	11,208	11,055
Total	10,302,870	10,109,190

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

Distributor	Month	2022		2021	
		RTA / RTP	Effect perceived by consumers (a)	RTA / RTP	Effect perceived by consumers (a)
CPFL Paulista	April	12.77%	14.97%	17.62%	8.95%
CPFL Piratininga (b)	October	21.07%	14.72%	14.78%	12.40%
RGE	June	8.72%	10.98%	15.23%	9.95%
CPFL Santa Cruz	March	7.82%	8.83%	17.19%	9.95%

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

(b) As described in note 27.3, on October 18, 2022, there was the RTA for the subsidiary CPFL Piratininga.

On July 13, 2022, ANEEL published approval resolutions ("REH") N 3,058 and 3059, regarding the extraordinary tariff revision - RTE, which reduced tariffs, being the average effect perceived by consumers of 2.44% and 2.32%, for CPFL Paulista and CPFL Santa Cruz, respectively.

(21) COST OF ELECTRIC ENERGY

	Consolidated			
	2022		2021	
	3rd quarter	Nine months	3rd quarter	Nine months
Electricity Purchased for Resale				
Itaipu Binacional	792,168	2,230,419	964,565	2,758,525
PROINFRA	142,412	458,980	86,893	271,530
Energy purchased at auction in the regulated market, bilateral contracts and spot market	2,972,527	8,571,149	5,463,185	12,129,184
PIS and COFINS credit	(349,544)	(997,642)	(587,057)	(1,349,725)
Subtotal	3,557,562	10,262,906	5,927,586	13,809,515
Electricity network usage charge				
Basic network charges	867,738	2,222,183	654,405	2,181,061
Transmission from Itaipu	79,008	208,085	54,107	224,049
Connection charges	26,700	75,680	67,944	167,307
Charges for use of the distribution system	19,693	56,123	17,176	48,061
System service charges - ESS net of CONER pass through (*)	10,294	515,846	282,962	840,436
Reserve energy charges - EER	167,783	476,847	7,049	135,842
PIS and COFINS credit	(115,488)	(350,338)	(98,828)	(328,441)
Subtotal	1,055,729	3,204,425	984,814	3,268,315
Total	4,613,291	13,467,331	6,912,400	17,077,830

(*) Energy reserve account

	Consolidated			
	2022		2021	
	3rd quarter	Nine months	3rd quarter	Nine months
Electricity Purchased for Resale in GWh				
Itaipu Binacional	2,585	7,607	2,652	7,844
PROINFRA	259	706	275	755
Energy purchased at auction in the regulated market, bilateral contracts and spot market	14,558	43,954	14,004	43,360
Total	17,402	52,267	16,931	51,959

(22) OTHER OPERATING COSTS AND EXPENSES

	3rd quarter									
	Other Cost of operation		Cost of Services Rendered to Third Parties		Selling expenses		Other operating expenses General and administrative		Other operating expenses	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Personnel	354,546	265,314	-	-	46,844	42,947	98,826	89,187	-	-
Private Pension Plans	(16,692)	56,723	-	-	-	-	-	-	-	-
Materials	127,159	91,657	469	311	2,795	2,627	4,307	(1,882)	-	-
Third party services	61,184	30,679	717	646	49,832	43,835	65,497	80,332	-	-
Costs of infrastructure construction	-	-	1,558,801	939,973	-	-	-	-	-	-
Others	37,639	25,115	11	10	19,537	22,709	57,791	54,178	35,795	37,297
Collection fees	-	-	-	-	20,654	22,651	-	-	-	-
Leases and rentals	22,610	17,024	-	-	1	-	(721)	5,093	-	-
Publicity and advertising	7	-	-	-	-	-	7,695	4,445	-	-
Legal, judicial and indemnities	-	-	-	-	-	-	59,834	58,015	-	-
Gain (loss) on disposal, retirement and other noncurr	-	-	-	-	-	-	-	-	46,880	35,098
Others	15,923	8,096	11	10	(1,118)	59	(9,017)	(13,375)	(11,085)	2,199
Total	563,836	469,488	1,559,997	940,940	119,008	112,118	226,421	221,815	35,794	37,297

	Nine months									
	Other Cost of operation		Cost of Services Rendered to Third Parties		Selling expenses		Other operating expenses General and administrative		Other operating expenses	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Personnel	1,068,512	773,250	-	-	135,524	122,628	284,181	248,898	-	-
Private Pension Plans	145,013	170,217	-	-	-	-	-	-	-	-
Materials	345,622	244,636	1,312	965	9,020	7,232	10,360	(4,371)	-	-
Third party services	129,622	112,799	2,153	2,068	145,122	128,590	207,388	218,280	-	-
Costs of infrastructure construction	-	-	3,863,250	2,299,976	-	-	-	-	-	-
Others	110,011	80,645	46	65	64,081	69,567	211,393	134,935	99,741	114,717
Collection fees	-	-	-	-	63,570	69,314	-	-	-	-
Leases and rentals	66,436	49,257	-	-	1	-	5,193	16,151	-	-
Publicity and advertising	9	10	-	-	-	-	17,830	12,061	-	-
Legal, judicial and indemnities	-	-	-	-	-	-	185,964	120,979	-	-
Gain (loss) on disposal, retirement and other noncurr	-	-	-	-	-	-	-	-	103,461	107,984
Others	43,567	31,384	46	65	510	253	2,406	(14,256)	(3,720)	6,733
Total	1,798,779	1,381,545	3,866,760	2,303,073	353,746	328,017	713,322	597,741	99,741	114,717

With the approval of the settlement of the PSAP plan of the subsidiary CPFL Piratininga by the regulatory body PREVIC on the base date of 05/31/2022, the plan no longer receives new monthly contributions. Considering the discount rates on the determined base date (nominal discount rate of 9.41%), an actuarial income of R\$ 75,490 was calculated, which, together with the effects of other comprehensive income and payments for the period, will reduce the net actuarial liabilities of the subsidiary and, consequently, of the consolidated.

(23) FINANCIAL INCOME (EXPENSES)

	Consolidated			
	2022		2021	
	3rd quarter	Nine months	3rd quarter	Nine months
Financial income				
Income from financial investments	140,738	331,840	42,188	100,013
Late payment interest and fines	78,529	268,146	79,439	242,577
Adjustment for inflation of tax credits	187,428	459,145	42,676	106,810
Adjustment for inflation of escrow deposits	18,619	53,442	6,536	13,780
Adjustment for inflation and exchange rate changes	25,742	210,534	30,653	193,488
Discount on purchase of ICMS credit	10,851	26,902	6,391	12,605
Adjustments to the sector financial asset (note 7)	111,451	368,757	35,336	47,654
PIS and COFINS on other financial income	(26,200)	(72,328)	(23,396)	(47,359)
Other	19,710	57,060	32,116	131,236
Total	566,868	1,703,499	251,939	800,803
Financial expenses				
Interest on debts	(418,005)	(1,223,461)	(197,255)	(502,386)
Adjustment for inflation and exchange rate changes	(321,875)	(1,170,020)	(170,570)	(430,464)
(-) Capitalized interest	17,181	41,267	10,161	28,707
Adjustments to the sector financial liability (note 7)	(37,704)	(70,939)	-	-
Intragroup loans (note 25)	(95,003)	(244,711)	(36,854)	(80,427)
Exclusion of ICMS from the PIS/COFINS base (note 6)	(149,945)	(415,169)	(18,389)	(32,634)
Other	(41,206)	(180,806)	(28,439)	(103,307)
Total	(1,046,556)	(3,263,840)	(441,346)	(1,120,511)
Resultado financeiro	(479,688)	(1,560,341)	(189,407)	(319,708)

(24) SEGMENT INFORMATION

The information segregated by segment is presented below, according to the criteria established by the Group's executives:

	Distribution	Generation	Transmission	Commercialization	Services	Subtotal	Other (*)	Elimination	Total
Nine months 2022									
Net operating revenue	23,598,620	2,017,149	1,164,394	1,704,936	132,552	28,617,652	42	-	28,617,694
(-) Intersegment revenues	7,851	904,197	308,835	14,717	650,635	1,886,236	-	(1,886,236)	-
Cost of electric energy	(12,549,040)	(392,693)	-	(1,764,016)	-	(14,705,749)	-	1,238,418	(13,467,331)
Operating costs and expenses	(5,872,128)	(403,135)	(760,741)	(40,292)	(621,058)	(7,697,354)	(28,284)	647,818	(7,077,819)
Depreciation and amortization	(776,332)	(552,074)	(54,842)	(3,431)	(27,592)	(1,414,272)	(47,324)	-	(1,461,596)
Income from electric energy service	4,408,971	1,573,443	657,647	(88,086)	134,537	6,686,513	(75,567)	-	6,610,946
Equity interests in subsidiaries, associates and joint ventures	-	383,251	1,532	-	-	384,783	-	-	384,783
Financial income	1,372,073	120,431	171,846	23,545	9,559	1,697,454	22,148	(16,103)	1,703,499
Financial expenses	(2,284,797)	(573,942)	(190,799)	(161,638)	(6,802)	(3,217,978)	(61,964)	16,103	(3,263,840)
Profit (loss) before taxes	3,496,247	1,503,184	640,226	(226,179)	137,294	5,550,772	(115,383)	-	5,435,388
Income tax and social contribution	(1,239,918)	(226,108)	(125,621)	16,134	(34,420)	(1,609,934)	18,315	-	(1,591,618)
Profit (loss) for the period	2,256,329	1,277,075	514,605	(210,045)	102,874	3,940,838	(97,068)	-	3,843,770
Purchases of contract asset PP&E and intangible assets	3,487,337	162,344	478,931	4,240	29,794	4,162,645	846	-	4,163,491
Nine months 2021									
Net operating revenue	24,200,767	2,044,993	95,035	1,856,883	92,173	28,289,851	965	-	28,290,816
(-) Intersegment revenues	7,381	794,488	16,951	8,975	528,937	1,356,732	-	(1,356,732)	-
Cost of electric energy	(15,749,383)	(308,869)	-	(1,847,060)	-	(17,905,312)	-	827,481	(17,077,830)
Operating costs and expenses	(4,413,500)	(351,993)	(208,375)	(42,720)	(475,680)	(5,492,268)	(22,271)	529,251	(4,985,288)
Depreciation and amortization	(683,548)	(530,799)	(1)	(2,979)	(24,373)	(1,241,700)	(47,348)	-	(1,289,048)
Income from electric energy service	3,361,716	1,647,820	(96,389)	(26,901)	121,056	5,007,303	(68,654)	-	4,938,650
Equity interests in subsidiaries, associates and joint ventures	-	387,405	-	-	-	387,405	-	-	387,405
Financial income	605,275	97,383	1,813	89,949	4,830	799,249	26,359	(24,806)	800,803
Financial expenses	(838,320)	(265,171)	(1,893)	(26,529)	(2,451)	(1,134,364)	(10,953)	24,806	(1,120,511)
Profit (loss) before taxes	3,128,671	1,867,438	(96,468)	36,519	123,435	5,059,594	(53,247)	-	5,006,347
Income tax and social contribution	(1,070,337)	(306,052)	(7,344)	(16,427)	(31,474)	(1,431,634)	(51,626)	-	(1,483,260)
Profit (loss) for the year	2,058,334	1,561,386	(103,812)	20,092	91,961	3,627,960	(104,873)	-	3,523,087
Purchases of contract asset PP&E and intangible assets	2,155,549	338,590	89,861	6,246	54,447	2,644,693	1,297	-	2,645,990

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

(25) RELATED PARTY TRANSACTIONS

The total compensation for key management personnel in nine month period ending in 30 of September of 2022, in accordance with CVM Decision 642/2010 and CPC 05(R1), was R\$ 48,682 (R\$ 34.844 in the nine month period of 2021). This amount comprised R\$ 47,494 related to short-term benefits (R\$ 34.050 in the nine month period of 2021) and R\$ 738 (R\$ 979 in the nine month period of 2021) of post-employment benefits

The balance of the parent company loan asset at September 30, 2022, in the amount of R\$ 128,691, refers substantially to the loan made to the subsidiaries RGE and CPFL Serviços, with maturity up to December 2022 and remunerated at 107% of the CDI (R\$ 168,943 at December 31, 2021).

The balance of the intercompany loan payable in the consolidated, in the amount of R\$ 2,722,804 (R\$ 2,518,150 at December 31, 2021), mainly refers to the loan between subsidiary CPFL Renováveis and the parent company State Grid Brazil Power – SGBP, maturing up to June 2024 and bearing interest corresponding to CDI + 1.1% p.a. spread.

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

	Consolidated							
	ASSETS		LIABILITIES		INCOME		EXPENSES	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021	Nine months 2022	Nine months 2021	Nine months 2022	Nine months 2021
Energy purchase and sales, and charges								
Entities under common control (State Grid Corporation of China subsidiaries)	6	6	-	-	30	21	260,032	266,231
Joint ventures (CPFL Energia consolidated)	3,880	1,560	155,502	194,426	35,114	36	1,074,072	1,057,345
Intangible assets, property, plant and equipment, materials and service rendered								
Entities under common control (State Grid Corporation of China subsidiaries)	-	-	13,510	7,724	-	-	46,254	14,244
Joint ventures (CPFL Energia consolidated)	238	168	-	-	3,769	5,060	-	-
Intragroup loans								
State Grid Brazil Power Participações S.A.	-	-	2,722,804	2,518,150	-	-	244,711	80,427
Dividends and interest on capital								
Joint ventures (CPFL Energia consolidated)	163,231	133,623	-	-	-	-	-	-
Others								
Instituto CPFL	-	-	-	-	-	-	3,339	2,336

(26) FINANCIAL INSTRUMENTS

The main financial instruments held at fair value and/or with carrying amounts different of to respective fair value, classified in accordance with the Group's accounting practices are as follow:

				Consolidated	
				September 30, 2022	
	Note	Category / Measurement	Level (*)	Carrying amount	Fair value
Assets					
Cash and cash equivalents		(a)	Level 2	4,028,055	4,028,055
Securities		(a)	Level 1	284,075	284,075
Derivatives	26	(a)	Level 2	553,115	553,115
Concession financial assets	8	(a)	Level 3	15,752,655	15,752,655
Total				20,617,900	20,617,900
Liabilities					
Borrowing - principal and interest	13	(b)	Level 2 (***)	7,013,647	7,017,569
Borrowing - principal and interest	13	(a)	Level 2	6,573,001	6,573,001
Debentures - Principal and interest	14	(b)	Level 2 (***)	7,593,788	7,542,956
Debentures - Principal and interest (**)	14	(a)	Level 2	2,341,710	2,341,710
Derivatives	26	(a)	Level 2	398,916	398,916
Total				23,921,062	23,874,153

(*) Refers to the hierarchy for fair value measurement

(**) As a result of the initial designation of this financial liability, the consolidated balance reported a gain of R\$ 310,912 in nine month of 2022 (gain of R\$ 43,515 in nine month of 2021).

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

Key

Category / Measurement:

(a) - Measured at amortized cost

(b) - Measured at fair value

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

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

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

In addition, in the nine month period there were no transfers between levels of the fair value hierarchy.

a) Derivative financial instruments

	Consolidated			
	At December 31,2021	Monetary adjustment and exchange rate and fair value measurement	Repayment	At September 30,2022
Derivatives				
To debts designated at fair value	1,509,491	(1,059,043)	239,507	689,955
Others	(1,319)	1,714	161	556
Fair value measurement (*)	(251,594)	(284,718)	-	(536,312)
Total	1,256,578	(1,342,047)	239,668	154,199
Assets - Current	357,350			212,534
Assets - Non-current	990,491			340,581
Liabilities - Current	(5,067)			75,719
Liabilities - Non-current	(86,196)			323,197

(*)The effects on the profit or loss and comprehensive income for 2022 related to the fair value adjustments (MTM) of the derivatives are: (i) losses of R\$ 285,708 for the debts designated at fair value and (ii) gains of R\$ 990 for other derivatives.

b) Sensitivity analysis**Exchange rate variation**

Instruments	Exposure (a) R\$ thousand	Risk	Consolidated		
			Income (expense)		
			Currency depreciation (b)	Currency appreciation of 25%(c)	Currency appreciation of 50%(c)
Financial liability instruments	(4,566,191)	drop in the US Dollar	(361,460)	870,452	2,102,365
Derivatives - Plain Vanilla Swap	4,646,163		367,791	(885,697)	(2,139,186)
	79,972		6,331	(15,245)	(36,821)
Financial liability instruments	(1,466,115)	drop in the euro	(157,786)	248,189	654,164
Derivatives - Plain Vanilla Swap	1,481,303		159,421	(250,760)	(660,941)
	15,188		1,635	(2,571)	(6,777)
Total	95,160		7,966	(17,816)	(43,598)
Effects on the comprehensive income			140	(338)	(817)
Effects on the net profit			7,826	(17,478)	(42,781)

a) The exchange rate considered at 09/30/2022 was R\$ 5.39 per US\$ 1.00 and R\$ 5.27 per €\$ 1.00.

(b) As per the exchange rate curves obtained from information made available by B3 S.A., with the exchange rate being considered at R\$ 5.82 and R\$ 5.84, and the currency depreciation at 7.9% and 10.8% for US\$ and €\$, respectively at 09/30/2022.

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

Interest rate variation

Instruments	Exposure R\$ thousand	Risk	Rate in the period	Likely scenario rate (a)	Consolidated		
					Income (expense)		
					Likely scenario	Raising/Drop index by 25% (b)	Raising/Drop index by 50% (b)
Financial asset instruments	4,350,688	CDI apprec.	13.65%	13.63%	592,999	741,248	889,498
Financial liability instruments	(10,571,329)				(1,440,872)	(1,801,090)	(2,161,308)
Derivatives - Plain Vanilla Swap	(9,081,529)				(1,237,812)	(1,547,266)	(1,856,719)
	(15,302,170)				(2,085,685)	(2,607,108)	(3,128,529)
Financial liability instruments	(186,020)	IGP-M apprec.	8.25%	5.17%	(9,617)	(12,022)	(14,426)
	(186,020)				(9,617)	(12,022)	(14,426)
Financial liability instruments	(414,924)	TJLP apprec.	6.31%	7.01%	(29,086)	(36,358)	(43,629)
	(414,924)				(29,086)	(36,358)	(43,629)
Financial liability instruments	(8,725,104)	drop in the IPCA	7.17%	5.50%	(479,881)	(359,911)	(239,940)
Derivatives - Plain Vanilla Swap	2,558,733				140,730	105,548	70,365
Financial instruments - assets	15,811,775				869,648	652,236	434,824
	9,645,404				530,497	397,873	265,249
Sectorial financial assets and liabilities	(532,761)	SELIC apprec.	13.65%	13.63%	(72,615)	(54,461)	(36,308)
	(532,761)				(72,615)	(54,461)	(36,308)
Total	(6,790,471)				(1,666,506)	(2,312,076)	(2,957,643)

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

(b) In compliance with CVM Instruction 475/08, the percentage of raising index are applied to the likely scenario.

(27) EVENTS AFTER THE REPORTING PERIOD**27.1 Campos Novos Energia S.A. ("Enercan") shares aquisition**

On July 29, 2022, the privatization of CEEE-G control was auctioned, in the context of the destatization of the companies of the CEEE Group by the Government of the State of Rio Grande do Sul. Among the investments that CEEE-G had, the percentage of 6.51% of the participation in Campos Novos Energia S.A. ("Enercan") is highlighted.

According to ENERCAN's Shareholders' Agreement, in case of sale of a stake by any shareholder, it is assured the right of preference to the remaining shareholders of ENERCAN itself. Therefore, considering the privatization of CEEE-G, through a Material Fact of September 6, 2022, CPFL Energia (through its subsidiary CPFL Geração) manifested its Right of Preference in the acquisition of Enercan's shares.

On September 23, 2022 and November 1, 2022, ANEEL and CADE (Administrative Council of Public Defense) approved the transaction, respectively.

It is expected that in November 2022, CPFL Energia, through CPFL Geração, complete the acquisition of 3.39% of Enercan's share capital by the amount of R\$50,464. On that moment, the ownership of the shares will be transferred to CPFL Geração and the payment will be made, which in the opinion of the management (based on the Shareholders' Agreement and the Bylaws of the acquired) will result in a combination of businesses in accordance with CPC 15 (R1) / IFRS 3, since CPFL Geração will obtain the control of Enercan.

From the Group's perspective, the transaction represents an opportunity to add value by increasing participation in an asset already known, with governance and recurring monitoring within the group.

CPFL Geração will hold an equity interest of 52.11% (previously 48.72%, previously jointly controlled, recorded using the equity method until the date of change of control) in Enercan, whose object and main operational activity is the construction, operation and exploitation of the Campos Novos Hydroelectric Power Plant ("Campos Novos UHE"), located on the Canoas River, between the municipalities of Campos Novos and Celso Ramos, State of Santa Catarina, and the Associated Transmission System. The end of the concession is scheduled for January 6, 2039.

Enercan's administrative headquarters is located at Rua Lauro Linhares, nº 2010, Ed. Comercial São Francisco, Bloco B, Sala 101, Trindade neighborhood, Florianópolis, State of Santa Catarina, being a privately held corporation jointly controlled until the moment of the transfer of shares to CPFL Geração.

Enercan has an electric power generation plant with installed power of 880 MW on average, operated through a concession contract for the operation of public electricity generation services:

- Concession Agreement No. 43/200: granted on May 29, 2000, by the Union, provides for the right of exploitation to Enercan for a period of 35 years, and may be extended depending on the approval of the regulatory body. In November 2021, the Company signed the terms of acceptance of the extension period of grant, in accordance with Law 14.052/2020 and Homologatory Resolutions 2.919/21 and 2.932/21, and as a result, its concession term was extended by 1,318 days; the new concession ending period will be 01/06/2039.

a) Consideration to be transferred

The consideration to be transferred is R\$50,464, paid in cash, in a single installment, on the date of acquisition. This payment will not be adjusted in any way, for example, by changes in working capital and net debt. Additionally, there are no contingent considerations in this transaction.

b) Assets to be acquired, liabilities to be recognized and participation of non-controlling interest on the date of acquisition

The required disclosure regarding the calculated fair amounts cannot be presented in this interim accounting information, as the initial accounting is not available until the date of publication of this interim accounting information, since the fair value to be considered must be prepared as of the date of acquisition of the transaction. Administration is working on the allocation of the price to be paid and the accounting developments resulting from the acquisition of control, therefore considering the complexity involved in the process of measuring fair values, these values will be confirmed after the conclusion of an evaluation report to be prepared by an independent evaluator by issuing an economic-financial evaluation report. The Administration expects the report to be finalized by November 2023.

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

c) Contingent consideration

There is no clause in the agreement relating to contingent consideration to be paid to the seller.

d) Indemnification assets

The agreement does not provide for any situations in which CPFL Geração can be indemnified.

e) Cash movement in the acquisition

Considering that Enercan had a cash balance as of November 1, 2022 (possible opening balance sheet date for business combination purposes) of R\$147,351 and that the consideration to be transferred will be R\$50,464, the net cash movement in the acquisition will be a cash increase, in the consolidated, of R\$96,887.

f) Net operating income and net income of the subsidiary to be acquired included in the consolidated financial statements

Considering that the acquisition date will be in November 2022, no amounts of revenue, expenses, assets and liabilities were recorded in this interim accounting information.

27.2 Public offer to acquire "OPA" shares of CPFL Transmissão

On October 19, 2022, the Company informed through material fact the disclosure of the notice with the terms and conditions of the public offer for the acquisition of common and preferred shares issued by the Companhia Estadual de Transmissão de Energia Elétrica ("CPFL Transmissão"), to be carried out by its indirect subsidiary CPFL Energia Comercialização de Energia Cone Sul Ltda., for the conversion of CPFL's public company registration as a securities issuer, from category "A" to category "B" ("OPA").

The registration of the OPA and the authorization for its realization were granted by the CVM through Official Letter No. 528/2022/CVM/SER/GER-1 of October 10, 2022.

As indicated in the Notice, the OPA auction will be held at B3 S.A. – Brasil, Bolsa, Balcão on November 18, 2022.

The locations where the documents related to the OPA, including the Notice, are available for consultation may be found in the relevant material fact itself, filed with the CVM.

27.3 Annual tariff adjustment of CPFL Piratininga

On October 18, 2022, ANEEL published approval resolution ("REH") No. 3,128, related to the result of the 2022 RTA, which set the average adjustment of the subsidiary's tariffs, effective from October 23, 2022 to October 22, 2023, at +21.07%, +16.50% referring to the economic tariff adjustment and +4.57% for the relevant financial components. The total average effect to be perceived by consumers is +14.72%.

BOARD OF DIRECTORS

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Gustavo Estrella
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Marcelo Amaral Moraes

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Business Development Vice President

ACCOUNTING DIVISION

SERGIO LUIS FELICE
Accounting Director
CT CRC 1SP192767/O-6

Report on review of quarterly information

To the Board of Directors and Stockholders

CPFL Energia S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of CPFL Energia S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2022, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

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

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the nine-month period ended September 30, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim accounting

information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Audit and review of the previous year's figures

The quarterly information (ITR) mentioned in the first paragraph includes accounting information corresponding to the statements of income and comprehensive income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period ended September 30, 2021, obtained from quarterly information (ITR) for that quarter, and to the balance sheets as of December 31, 2021, obtained from the financial statements as of December 31, 2021, presented for comparison purposes. The review of the quarterly information (ITR) for the quarter ended September 30, 2021 and the examination of the financial statements for the year ended December 31, 2021 were conducted under the responsibility of other independent auditors, who issued review and audit reports with dates of November 10, 2021 and March 17, 2022, respectively, without reservations.

Campinas, November 07, 2022

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Adriano Formosinho Correia
Contador CRC 1BA029904/O-5

DECLARAÇÃO	STATEMENT
<p>Em atendimento ao disposto nos incisos V e VI do artigo 25 da Instrução CVM nº 480, de 07 de dezembro de 2009, alterada pela Instrução CVM nº 586, de 8 de junho de 2017, o presidente e os diretores da CPFL Energia S.A., sociedade por ações de capital aberto, com sede na Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, na Cidade de Campinas, Estado de São Paulo, inscrita no CNPJ sob nº 02.429.144/0001-93, declaram que:</p> <p>a) reviram, discutiram e concordam com as opiniões expressas no parecer da PwC Auditores Independentes, relativamente às demonstrações financeiras da CPFL Energia S.A. de 30 de setembro de 2022;</p> <p>b) reviram, discutiram e concordam com as demonstrações financeiras da CPFL Energia S.A. de 30 de setembro de 2022.</p> <p>Campinas, 07 de novembro de 2022.</p>	<p>In compliance with the provisions in items V and VI of article 25 of the Brazilian Securities & Exchange Commission (CVM) Instruction No. 480, of December 7, 2009, as amended by CVM Instruction No. 586, of June 8, 2017, the chief executive officers and the officers of CPFL Energia S.A., a publicly traded company, with its registered office at Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, Campinas, Estado de São Paulo - Brazil, enrolled with the National Register of Legal Entities (CNPJ) under No. 02.429.144/0001-93, hereby stated that:</p> <p>a) they have reviewed, discussed and agree with the opinions expressed in the opinion of PwC Auditores Independentes on the financial statements of CPFL Energia S.A., of September 30, 2022;</p> <p>b) they have reviewed, discussed and agree with the financial statements of CPFL Energia S.A., of September 30, 2022.</p> <p>Campinas, November 07, 2022.</p>

Sergio Luis Felice

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

Yuehui Pan

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

Gustavo Estrella

Diretor Presidente
Chief Executive Officer