2Q22 CPFL Results

- ✓ **EBITDA** of **R$ 2,848 million**, growth of **38.7%**
- ✓ **Net Income** of **R$ 1,263 million**, an increase of **12.1%**
- ✓ Capex of **R$ 1,346 million**, growth of **32.1%**
- ✓ Net Debt of **R$ 22.8 billion** and leverage of **2.04x Net Debt/EBITDA**
- ✓ CPFL Transmissão: Debt prepayment - **IDB R$ 351 million** and **AFD R$ 264 million**
- ✓ CPFL Transmissão: Adjustment of **+10.14%**, reaching **R$ 939 MM** (2022-2023 RAP cycle)
- ✓ CPFL Piratininga won the Abradee Award for **Best Distributor in the Southeast Region** and **Socio-environmental Responsibility**
- ✓ CPFL Santa Cruz won for the 3rd time[1] **ANEEL Quality Award** in the category above 400 thousand clients
- ✓ CPFL Energia is among the best companies in the **ECO Amcham Award 2021/2022** with the work "Corporate Culture Inclusion Program (CCIP): CPFL and RGE in Hospitals"

1) In 2018 and 2020, Santa Cruz was the winner in the category from 30 to 400 thousand clients.

Video Conference with Simultaneous Translation into English (Bilingual Q&A)
Friday, August 12, 2022 – 11:00 a.m. (BRT), 10:00 a.m. (ET)
Zoom platform – click here to register:
https://us02web.zoom.us/webinar/register/WN_848l0ZPhQ2i-qcRS5iXkdA

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MESSAGE FROM THE CEO

As we close the first half of 2022, it is with a great sense of pride that I share with you another quarter of very strong results in which we delivered EBITDA growth of 38.7%, to R$ 2.8 billion, and Net Income growth of 12.1%, to R$ 1.3 billion.

We recently concluded the integration process of CPFL Transmissão, which was executed rapidly via our Plug&Play platform and celebrated with the inauguration of a new headquarters in Porto Alegre. Our latest acquisition contributed with EBITDA of R$ 181 million, which was complemented by R$ 21 million from the other existing projects in our Transmission segment, for a total of R$ 202 million. We are very satisfied with the acquisition as we seek to capture synergies and expand our investments. Another highlight in the quarter was our liability management, which included the prepayment of foreign-denominated debt (US$) with 1the Inter-American Development Bank (IADB) and the French Development Agency (AFD) and a new debt issue, aligned with the financing standards of CPFL Energia, with longer terms and without foreign exchange exposure.

In the Distribution segment, highlights included the benefits from the tariff adjustments for 2021 and 2022 at the group's four distribution companies, as well as the continued recovery in the commercial segment, which registered growth of 11.8%, driven mainly by the return of in-person activities and the good performance of the construction services sector.

In the Generation segment, despite the lower production by wind power complexes due to lower wind speeds, we obtained good results due to the contractual adjustments for inflation.

In terms of investment, capital expenditures in the quarter amounted to R$ 1.3 billion, an increase of 32.1% on the same quarter last year. Already in the first half of the year, R$ 2.6 billion was invested, which is 49.2% higher than in the same period 2021. Around 85% of the amount was allocated to the Distribution business, in assets that will become part of the remuneration base for the next tariff revision cycle beginning in 2023. For this year, we expect capital expenditures of R$ 4.8 billion for all groups in the business.

This robust performance reflects our firm commitment, financial discipline, cash management and optimization of the capital structure, which enabled a well balance leverage ratio of 2.04 times EBITDA billion. We also approved in the shareholders meeting a payout of 100% of dividends related to the 2021 result, of R$ 3.94/share, of which R$ 2,672 million was already paid, with the remaining R$ 1,868 million, or R$ 1.62/share, to be paid by December 30, 2022.

Before I close this message, I want to mention our most recent awards, with CPFL Piratininga winning the Abradee Awards for Best Distributor in the Southeast and in the category Social and Environmental Responsibility, while CPFL Santa Cruz won, for the third time, the ANEEL Quality Award, this time in the category of over 400,000 clients. CPFL Paulista and RGE also figured among finalists in the awards. In ESG practices, CPFL Energia was highlighted in the ECO Amcham Brasil 2021/2022 Awards, in the Sustainability Practices category, with CPFL in Hospitals Program.

These results attest to the CPFL group's excellent execution, whether in investments and operating efficiency to ensure returns for its shareholders, in the effective and responsible contracting of its energy portfolio, or in the acquisitions made by the Company, when we seek to rapidly integrate our processes and implement our best practices, always guided by collaboration and respect for people and the environment, without losing sight of our strong corporate governance and the financial discipline required to guarantee value creation for the entire group. As you can see, we continue to build the future of CPFL.

Gustavo Estrella

Chief Executive Officer, CPFL Energia

Indicators (R$ Million)	2Q22	2Q21	Var.	1H22	1H21	Var.
Load in the Concession Area - GWh	16,676	16,739	-0.4%	35,156	35,222	-0.2%
Sales within the Concession Area - GWh	17,231	17,131	0.6%	35,142	35,241	-0.3%
Captive Market	9,912	10,402	-4.7%	20,925	22,030	-5.0%
Free Client	7,319	6,729	8.8%	14,217	13,211	7.6%
Gross Operating Revenue	13,952	12,703	9.8%	27,377	25,187	8.7%
Net Operating Revenue	9,324	8,813	5.8%	18,612	17,101	8.8%
EBITDA(1)	2,848	2,054	38.7%	5,491	4,020	36.6%
Distribution	1,848	1,249	48.0%	3,686	2,510	46.8%
Generation	757	714	6.0%	1,430	1,351	5.8%
Transmission(2)	202	14	1351.3%	340	26	1193.1%
Commercialization, Services & Others	41	77	-46.3%	36	132	-73.0%
Net Income	1,263	1,126	12.1%	2,425	2,087	16.2%
Net Debt(3)	22,793	15,681	45.4%	22,793	15,681	45.4%
Net Debt / EBITDA(3)	2.04	1.88	8.2%	2.04	1.88	8.2%
Investments(4)	1,346	1,019	32.1%	2,558	1,714	49.2%

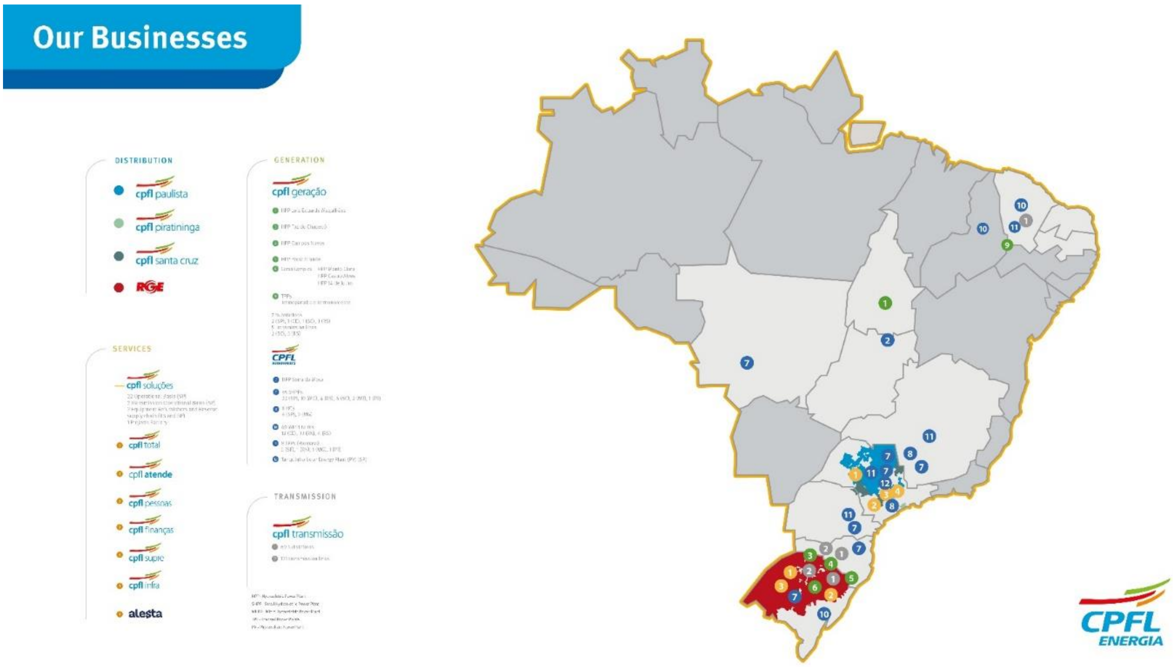
Notes:
(1) EBITDA is calculated from the sum of net income, taxes, financial result, depreciation/amortization, as CVM Resolution no. 156/22. See the calculation in item 3.1 of this report;
(2) Includes CEEE-T (CPFL Transmissão);
(3) In financial covenants criteria, which considers CPFL Energia's stake in each generation projects and in CPFL Transmissão; for the latter, it also considers the last 12 months' EBITDA;
(4) Does not include special obligations.

CONTENTS

1) COMPANY PROFILE AND CORPORATE STRUCTURE

Company Operation

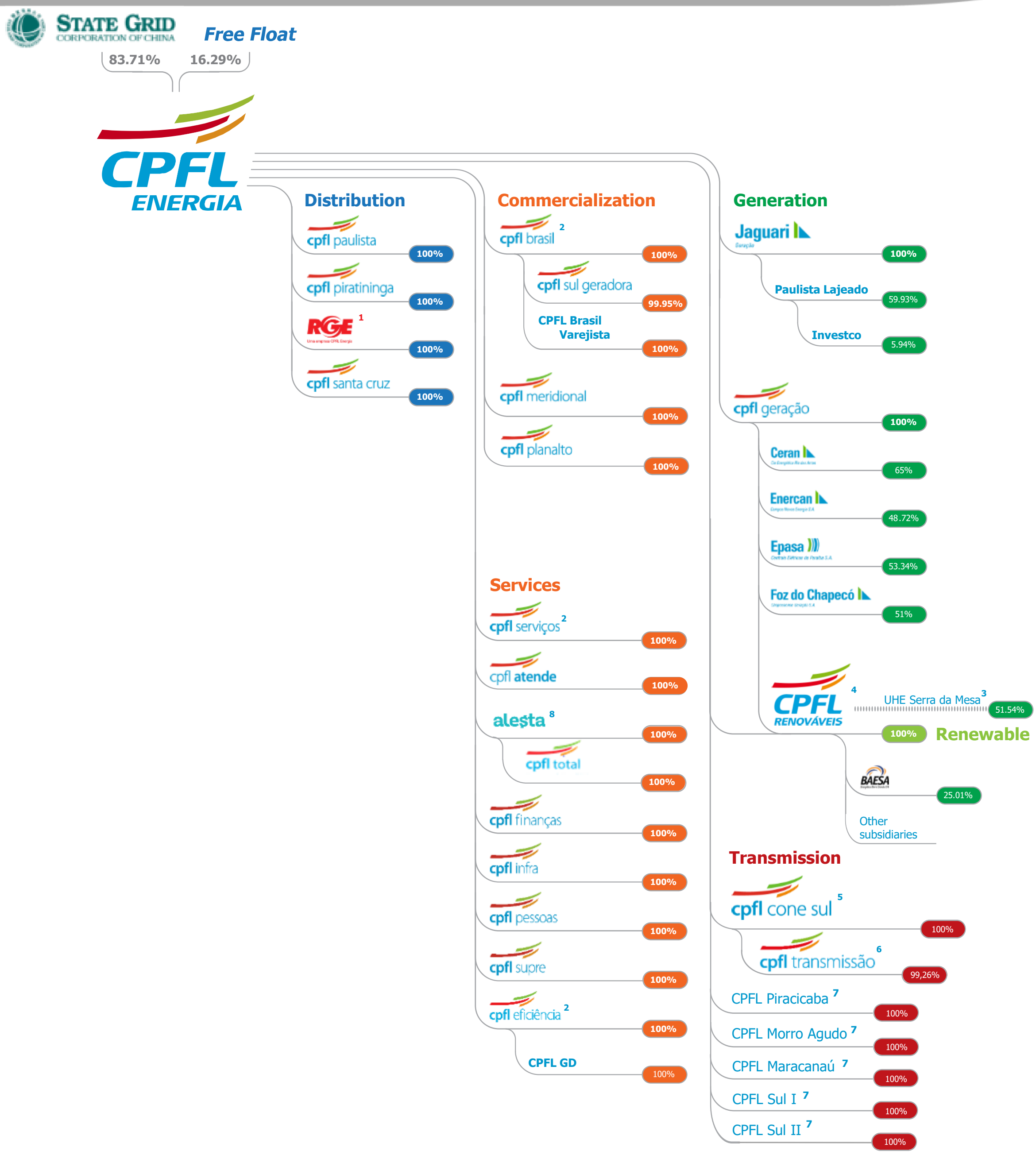
CPFL Energia operates in the Generation, Transmission, Distribution, Commercialization and Services segments, with presence in 11 states in all regions of the country.



CPFL is the second largest distributor in volume of energy sales, with 14% of the national market, serving approximately 10.3 million customers in 687 municipalities. With 4,385 MW of installed capacity, it is the fourth largest private generator in the country, being among the leaders in renewable generation, operating in hydroelectric, solar, wind and biomass sources. With the acquisition of Companhia Estadual de Transmissão de Energia Elétrica – CEEE-T (CPFL Transmissão), the group now also has a relevant role in the Transmission segment. It also has a national operation through CPFL Soluções, providing integrated solutions in energy management and commercialization, energy efficiency, distributed generation, energy infrastructure and consulting services.

Shareholders Structure

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



Reference date: 06/30/2022
Notes:
(1) RGE is held by CPFL Energia (89.0107%) and CPFL Brasil (10.9893%);
(2) CPFL Soluções = CPFL Brasil + CPFL Serviços + CPFL Eficiência;
(3) 51.54% stake of the availability of power and energy of Serra da Mesa HPP, regarding the Power Purchase Agreement between CPFL Renováveis and Furnas;
(4) CPFL Renováveis is controlled by CPFL Energia (49.1502%) and CPFL Geração (50.8498%);
(5) CPFL Cone Sul is a subsidiary of CPFL Brasil;
(6) CPFL Transmissão (CEEE-T) is controlled by CPFL Cone Sul (99.26%);
(7) CPFL Piracicaba, CPFL Morro Agudo, CPFL Maracanaú, CPFL Sul I e CPFL Sul II are consolidated in CPFL Geração.
(8) Alesta is controlled by CPFL Energia (99.99%) and by CPFL Brasil (0.01%).

Unified Tender Offer for the Acquisition of Shares (MTO) Issued by CEEE-T

Since April 6, 2022, when the CEEE-T MTO auction was held, CPFL Cone Sul holds 99.26% of the Company's total share capital, of which 99.68% of the common shares and 72.80% of the preferred shares.

CEEE-T's Exit from B3's Level 1 of Corporate Governance

In the Extraordinary General Meeting (EGM), held on July 25, 2022, the exit of CEEE-T from Level 1 of Corporate Governance of B3 S.A. – Brasil, Bolsa, Balcão ("B3") was approved.

Therefore, as a result of the exit from Level 1, the CEEE-T shares began to be traded in the Basic Listing Segment of B3 as of July 27, 2022.

For more details, please consult relevant facts and notices to the market available on the IR website.

Corporate Governance

The corporate governance model adopted by CPFL Energia is based on the 4 basic principles of the Brazilian Corporative Government System: transparency, equity, accountability and corporate responsibility.

CPFL's Management is composed by the Board of Directors and the Board of Executive Officers.

The Board of Directors is responsible for the strategic direction of the CPFL Group, consists of 7 members (2 independent members), whose term of office is 2 years, with the possibility of reelection. It has 5 Advisory Committees, namely: (i) Audit Committee (non-statutory); (ii) Related Parties Committee; (iii) People Committee; (iv) Finance and Risk Management Committee; and (v) Strategy, Growth, Innovation and ESG Committee.

The Board of Executives consists of 1 Chief Executive Officer and 8 Vice-Chief Executive Officers, all with term of office of 2 years, with possibility of reelection, whose responsibility is the execution of the strategies of CPFL Energia and its subsidiaries, which are defined by the Board of Directors going along with the corporate governance guidelines.

CPFL Energia has a permanent Fiscal Council, composed of 3 effectives members and equal number of alternates, all with 1 year of term of office, with the possibility of reelection, whose function is to perform an independent oversight role from the administrators and with the objective of preserving the value of the organization.

The guidelines and documents on corporate governance are available at the IR website.

Dividend Policy

The CPFL Energia dividend distribution policy determines that the Company should distribute annually, as dividends, at least 50% of the adjusted net income[1].The approved Dividend Policy is merely indicative, with the purpose of signaling to the market the treatment that the Company intends to give to the distribution of dividends to its shareholders, having, therefore, a programmatic character, not binding upon the Company or its governing bodies. The Dividend Policy is available at the IR website.

[1] It also stablishes the factors that will influence in the amount of distribution, as well as other factors considered relevant for the board of directors and the shareholders. It's also highlights that certain obligations contained in the Company's financial contracts may limit the amount of dividends and/or interest on equity that may be distributed.

2) OPERATIONAL PERFORMANCE

2.1) Distribution

2.1.1) Load net of losses in the concession area

Load within the Concession Area - GWh						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Captive Market	9,572	10,135	-5.6%	20,750	21,847	-5.0%
Free Client	7,104	6,604	7.6%	14,405	13,376	7.7%
Total	**16,676**	**16,739**	**-0.4%**	**35,156**	**35,222**	**-0.2%**

2.1.2) Sales within the Distributors' Concession Area

Sales within the Concession Area - GWh								
	2Q22	2Q21	Var.	Part.	1H22	1H21	Var.	Part.
Captive Market	9,912	10,402	-4.7%	57.5%	20,925	22,030	-5.0%	59.5%
Free Client	7,319	6,729	8.8%	42.5%	14,217	13,211	7.6%	40.5%
Total	**17,231**	**17,131**	**0.6%**	**100.0%**	**35,142**	**35,241**	**-0.3%**	**100.0%**

Sales within the Concession Area - GWh								
	2Q22	2Q21	Var.	Part.	1H22	1H21	Var.	Part.
Residential	5,043	5,043	0.0%	29.3%	10,646	10,740	-0.9%	30.3%
Industrial	6,669	6,536	2.0%	38.7%	12,872	12,849	0.2%	36.6%
Commercial	2,884	2,578	11.8%	16.7%	5,924	5,488	7.9%	16.9%
Others	2,635	2,973	-11.4%	15.3%	5,700	6,164	-7.5%	16.2%
Total	**17,231**	**17,131**	**0.6%**	**100.0%**	**35,142**	**35,241**	**-0.3%**	**100.0%**

Notes:
1) The tables with sales within the concession area by distributor can be consulted in the CPFL Energia's Historical Information Base, available in the IR website. To access it, click here.
2) As of 1Q22, sales in the concession area also include amounts distributed to other concessionaires and permissionaires, which make use of CPFL Energia's grid ("Use D"), so that the amounts from the free market have been changed throughout the historical series.

Highlights in the concession area in 2Q22:

- **Residential Segment (29.3% of total sales):** remained stable, as more people resumed their activities in person, favoring consumption in other segments. Another factor that negatively affected this quarter was the increase in distributed generation (DG). To counterbalance these effects, there was a positive effect of temperature and organic growth in residential units;
- **Industrial Segment (38.7% of total sales):** increase of 2.0%, showing a slight improvement mainly due to the economic scenario, a little better compared to 2Q21. Growth driven mainly by the food, rubber and plastic sectors;
- **Commercial Segment (16.7% of total sales):** growth of 11.8%, mainly due to the advance in the post-pandemic reopening of commerce, compared to 2Q21, and the higher temperature. In addition, another factor that positively impacted this segment was the effects of ANEEL Normative Resolution (REN) No. 901/2020, which deals with the cadastral review of consumer units, especially rural and public consumers, who receive tariff benefits, re-registering them as commercial in case of non-compliance with the criteria to receive the tariff benefit;
- **Others Segment (15.3% of total sales):** decrease of 11.4%, mostly due to the high volume of rainfall that occurred in the rural area of RGE, in addition to the effects of the ANEEL REN No. 901/2020, as explained above. In addition, the migration of

permissionaires to the Basic Network once again impacted this segment.

Highlights in the concession area in 1H22:

- **Residential Segment (30.3% of total sales):** decrease of 0.9%, affected by the returning of activities to the presential model and the increase of DG. Counterbalancing these points, there was a positive temperature effect in RGE and organic growth;
- **Industrial Segment (36.6% of total sales):** slight increase of 0.2%, better result than the Brazilian industrial production average, which had a decrease of 2.2% in comparison with 1H21;
- **Commercial Segment (16.9% of total sales):** growth of 7.9%, due to the reopening of the economy due to the better in COVID-19 indicators. In addition to it, there was the effect of the ANEEL REN No. 901/2020 affecting positively the segment, as explained before. On the other hand, the largest negative impact came from GD;
- **Others Segment (16.2% of total sales):** decrease of 7.5%, especially due to the permissionaires migration and the effect of the ANEEL REN No. 901/2020, and also the higher rainfall volume occurred in 2Q22 in RGE.

Sales to the Captive Market - GWh						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Residential	5,043	5,043	0.0%	10,646	10,740	-0.9%
Industrial	1,022	1,101	-7.2%	1,997	2,226	-10.3%
Commercial	1,845	1,753	5.2%	3,838	3,799	1.0%
Others	2,001	2,504	-20.1%	4,444	5,266	-15.6%
Total	**9,912**	**10,402**	**-4.7%**	**20,925**	**22,030**	**-5.0%**

Note: The tables with sales within the concession area by distributor can be consulted in the CPFL Energia's Historical Information Base, available in the IR website. To access it, click here.

Free Client - GWh						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Industrial	5,647	5,434	3.9%	10,874	10,623	2.4%
Commercial	1,038	825	25.8%	2,086	1,689	23.5%
Others	634	469	35.1%	1,257	899	39.8%
Total	**7,319**	**6,729**	**8.8%**	**14,217**	**13,211**	**7.6%**

Note: As of 1Q22, sales in the concession area also include amounts distributed to other concessionaires and permissionaires, which make use of CPFL Energia's grid ("Use D"), so that the amounts from the free market have been changed throughout the historical series.

2.1.3) Losses

The consolidated losses index of CPFL Energia was of 8.76% in the 12 months ended in Jun-22, compared to 9.06% in Jun-21, a decrease of 0.30 p.p. Disregarding the effect of the billing calendar in both years, the decrease would be of 0.29 p.p. (from 9.09% in Jun-21 to 8.80% in Jun-22), indicating an improvement of this indicator, despite the adverse macroeconomic conditions.

12M Accumulated Losses1	Jun-21	Mar-22	Apr-22	May-22	Jun-22	ANEEL
CPFL Energia	9.06%	8.79%	8.75%	8.96%	8.76%	**8.19%**
CPFL Paulista	9.35%	9.32%	9.23%	9.36%	9.05%	**8.36%**
CPFL Piratininga	7.88%	7.43%	7.62%	7.63%	7.43%	**6.51%**
RGE Sul	9.65%	9.11%	8.98%	9.51%	9.52%	**9.17%**
CPFL Santa Cruz	7.69%	7.55%	7.61%	7.61%	7.39%	**8.29%**

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

The CPFL Energia group continually seeks to reduce losses, focusing on combating non-technical losses, in a robust metering and network shielding plan in 2022.

Since 2020, when the shielding plan started, 1.1 thousand shields of group A customers were carried out with measurement sets, 57.5 thousand shields of group B with Armored Boxes and 8.1 thousand regularizations of illegal consumers.

In addition, the main achievements of 2Q22 were:

(i) Shielding of electrical borders and internal substations;

(ii) Mapping of energy losses through microbalances;

(iii) 110.2 thousand fraud inspections performed in consumer units;

(iv) Replacement of more than 2.1 thousand obsolete/defective meters with new electronics;

(v) Visit in 15.2 thousand consumer units inactivated for cutting in cases of self-reconnection;

(vi) Market discipline through 89 news in media related to CPFL operations to fight fraud and theft.

2.1.4) SAIDI and SAIFI

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

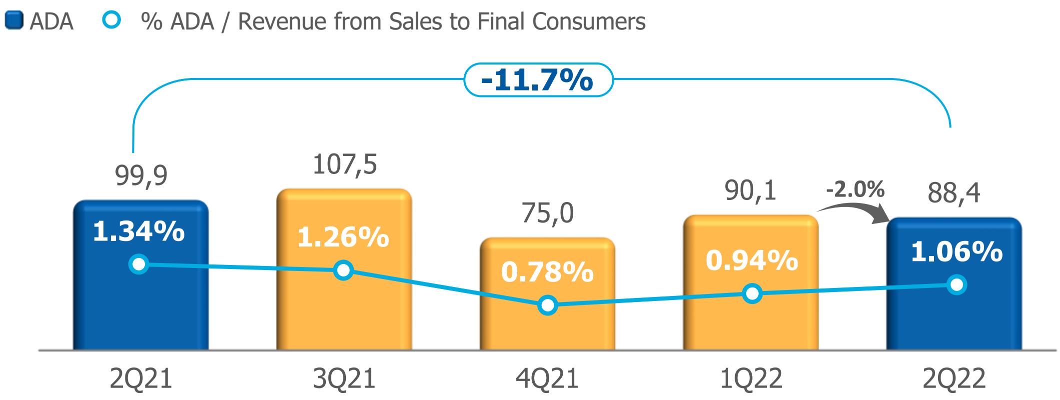
SAIDI Indicators									
Distributor	**2018**	**2019**	**2020**	**2021**	**2Q21**	**1Q22**	**2Q22**	**Var. %**	**ANEEL[1]**
CPFL Energia	8.62	8.83	7.66	7.52	7.97	7.38	7.37	-7.5%	**n.d**
CPFL Paulista	6.17	6.72	6.81	6.21	6.97	5.90	5.77	-17.2%	**6.79**
CPFL Piratininga	5.94	6.49	5.83	5.95	6.18	5.58	5.61	-9.2%	**6.19**
RGE[2]	14.44	14.01	10.83	10.84	11.01	11.06	11.23	2.0%	**10.77**
CPFL Santa Cruz[3]	6.01	5.56	4.89	5.66	5.21	5.79	5.78	10.9%	**8.12**

SAIFI Indicators									
Distributor	SAIFI (interruptions)								
	2018	2019	2020	2020	2Q21	1Q22	2Q22	Var. %	ANEEL[1]
CPFL Energia	4.68	4.93	4.54	4.40	4.62	4.28	4.25	-8.0%	**n.d**
CPFL Paulista	4.03	4.38	4.27	4.24	4.47	4.09	3.94	-11.9%	**5.46**
CPFL Piratininga	3.89	4.34	4.32	4.13	4.41	3.99	4.20	-4.8%	**5.13**
RGE[2]	6.10	6.25	5.27	4.83	5.04	4.80	4.82	-4.4%	**7.69**
CPFL Santa Cruz[3]	5.09	4.25	3.68	4.21	4.12	4.01	3.90	-5.3%	**6.92**

Notes:
(1) ANEEL limit;
(2) Since 2019, the RGE and RGE Sul concessions have been unified, becoming a single distributor for the purpose of calculating technical indicators;
(3) Since 2018, the concessions of CPFL Santa Cruz, Sul Paulista, Mococa, Jaguari and Leste Paulista have been unified, becoming a single distributor for purposes of calculating technical indicators.

In the consolidated of the distributors, the annualized values of SAIDI and SAIFI in 2Q22 were lower than in 2Q21 (-7.5% and -8.0%, respectively). These better results can be attributed to CPFL's continuous search for improvement in its operation, whether through new investments or a strong maintenance operation in its network. The only deviation was in RGE, due to the higher level of rain, much above normal, that occurred at the beginning of this year.

2.1.5) Delinquency



ADA registered a decrease of 2.0% (R$ 1.8 million) in 2Q22, compared to 1Q22, and of 11.7% (R$ 11.6 million) compared to 2Q21.

However, despite the improvement in the comparison of the ADA/Revenue from Sales to Final Consumers index, being 1.06% in 2Q22 against 1.34% in 2Q21, the index is above the historical average, which is between 0.7% to 0.8%. The factors that led to this behavior are: (i) a deteriorated macroeconomic scenario, (ii) high tariff readjustments, and (iii) effects of the "hydro scarcity" flag, applied until April of this year.

In 1H22, we had an increase in ADA of 15.9% (R$ 24.5 million) compared to 1H21, mainly due to the increase of the revenue from sales to final consumers in this half. In the ADA/ Revenue from Sales to Final Consumers, the index remained at the same level in the comparison of the semesters (at 0.99%), despite of the unfavorable macroeconomic scenario in 1H22, the high tariff and the "hydro scarcity" flag.

In addition, in order to fight the increase in the level of delinquency, CPFL has been maintaining a high volume of collection actions, highlighting:

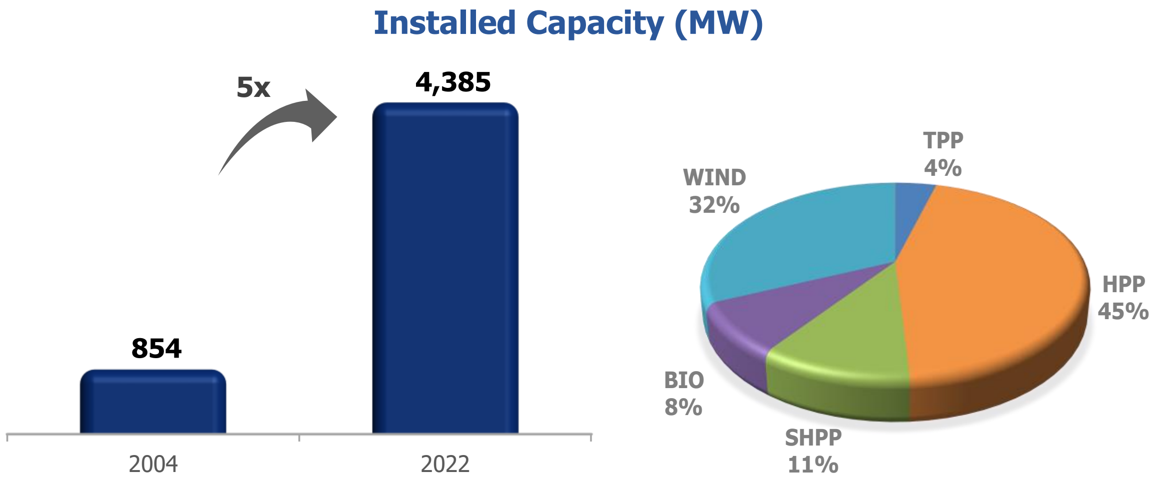
(i) Maintenance of the volume of collection actions, with 575 thousand cuts in 2Q22, totaling 1,149 thousand in 2022;

(ii) Refinement of the collection action prioritization algorithm, with analysis of each customer's payment history, to define the best collection action, based on their invoice payment probability score.

2.2) Generation

2.2.1) Installed Capacity

On June 30, 2022, the Generation installed capacity of CPFL Energia group, considering the proportional stake in each project, is of 4,385 MW.



Note: Breakdown graphic by source does not consider 1 MW of Solar Generation of Tanquinho Plant.

2.2.2) Operational and under construction projects

Portfolio							
In MW	**TPP**	**HPP**	**SHPP/MHPP**	**Bio**	**Wind**	**Solar**	**Total**
In operation	182	1,966	475	370	1,391	1	4,385
In construction	-	-	28	-	-	-	28
In development	-	-	96	-	1,764	2,539	4,399
Total	**182**	**1,966**	**599**	**370**	**3,155**	**2,540**	**8,812**

On June 30, 2022, the project portfolio of Generation segment (considering CPFL Energia's participation in each project) totaled 8,812 MW of installed capacity. The plants in operation totalize 4,385 MW, comprising 8 HPPs (1,966 MW), 49 wind farms (1,391 MW), 48 SHPPs and MHPPs (475 MW), 8 biomass thermoelectric plants (370 MW), 2 TPPs (182 MW) and 1 solar plant (1 MW).

Still under construction is the Lucia Cherobim SHPP (28 MW). Additionally, we have wind, solar and SHPP projects under development totaling 4,399 MW.

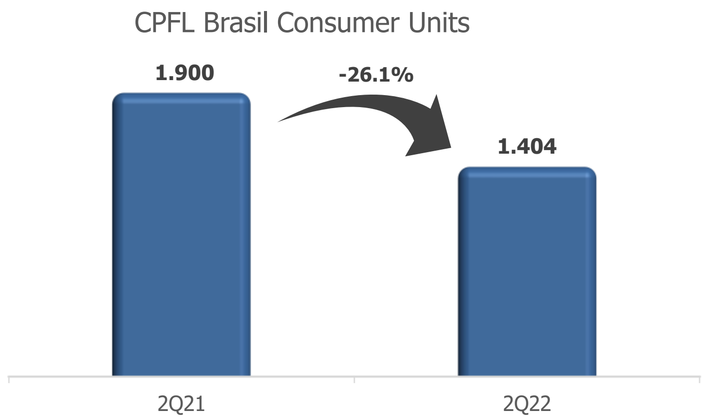
Lucia Cherobim SHPP

Lucia Cherobim SHPP, a project located in the state of Paraná, is scheduled to start operating in 2024. In June 2022, the physical progress of the project was 20.04%. Installed capacity is of 28.0 MW and physical guarantee is of 16.6 average MW. The energy was sold under a long-term contract at the 2018 new energy auction (A-6) (price: R$ 240.68/MWh – Jun-22).

2.3) Commercialization

Number of Commercialization Consumer Units

In Jun-22, CPFL Brasil consumer units reached 1,404, a decrease of 26.1% compared to the same period of 2021. This was due to a lower volume of contracts signed for 2022.



2.4) Transmission

2.4.1) CPFL Transmissão

Portfolio

Portfolio - CPFL TRANSMISSÃO									
Concession Contracts	Contract Start Date	Contract End Date	CPFL -T Share	Operation Status	Estimated Delivery	Indice	RAP 2021-2022 (R$ million)	RAP 2022-2023 (R$ million)	RAP Expected
055/2001	12/31/2002	12/31/2042	100%	Operational	-	IPCA	**832**	**918**	-
080/2002	12/18/2002	12/18/2032	100%	Operational	-	IGP-M	**20**	**22**	-
004/2021	09/31/2021	03/31/2051	100%	Construction	2024	IPCA	-	-	**11**
TESB	07/27/2011	07/27/2041	94%	Construction	2022	IPCA	**18**	**28**	**14**
ETAU	12/18/2002	12/18/2032	10%	Operational	-	IGP-M	**51**	**57**	-
TPAE	11/19/2009	11/19/2039	10%	Operational	-	IPCA	**10**	**11**	-

ENS – Unsupplied Energy (MWh)

CPFL Transmissão has shown excellent operating performance over the years. The Unsupplied Energy (ENS) indicator consists of the analysis of the amount of energy interrupted due to the unavailability of Transmission assets and, therefore, verifies the effective impact of the unavailability for the society. In 2Q22, the ENS totaled 236.05 MWh vs. 175.74 MWh in 2Q21, an increase of 34.31%, mainly justified by the accounting of 32.34 MWh related to Unsupplied

Feeder Energy, which began to be measured only in 2022. Disregarding this effect, the variation would be 15.9%.

PVd – Discounted Variable Parcel

The Discounted Variable Parcel (PVd) consists of the percentage ratio of the Variable Parcel discounts effected on the basis of the Transmitter's Monthly Invoicing. Such data are made available monthly by the National Electric System Operator (ONS). In 2Q22, PVd totaled 0.450% vs. 0.821% in 2Q21, a decrease of 45.2%. The variation in the performance of the indicator is justified by 2 events of asset unavailability, which occurred in 2021, affecting the 2Q21 results in R$ 0.6 million. It is worth noting that the historical average of this indicator is 0.75%.

2.4.2) Other Transcos Portfolio

Operational Portfolio					
Project	**Location**	**RAP (R$ MM)**	**Capex (R$ MM)**	**Operation Start**	**Substation Nº**
Piracicaba	SP	14.1	100	Jul/15	1
Morro Agudo	SP	17.5	100	Jul/17	1
Maracanaú[1]	CE	10.3	102.2	May/22	1

Portfolio under Construction							
Project	**Location**	**RAP (R$ MM)**	**Estimated Capex by Aneel (R$ MM)**	**Operation Start**	**Substation Nº**	**Lines (Km)**	**Builded**
Sul I	SC	33.5	366	Mar/24	1	320	61.98%
Sul II	RS	43	349	Mar/23	3	85	71.58%

3) CPFL ENERGIA ECONOMIC-FINANCIAL PERFORMANCE

3.1) Economic-Financial Performance

Consolidated Income Statement - CPFL ENERGIA (R$ Million)	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	13,952	12,703	9.8%	27,377	25,187	8.7%
Net Operating Revenue	9,324	8,813	5.8%	18,612	17,101	8.8%
Revenue from building the infrastructure	1,267	744	70.2%	2,309	1,367	68.9%
Net Operating Revenue (ex-rev. from infrastructure)	**8,058**	**8,068**	**-0.1%**	**16,303**	**15,734**	**3.6%**
Cost of Electric Power	(4,177)	(5,188)	-19.5%	(8,854)	(10,165)	-12.9%
Contribution Margin	**3,881**	**2,880**	**34.7%**	**7,449**	**5,569**	**33.8%**
PMSO	(1,089)	(864)	26.0%	(2,058)	(1,624)	26.7%
Other Operating Costs & Expenses	(1,811)	(1,229)	47.4%	(3,396)	(2,328)	45.9%
Equity Income	127	91	39.8%	243	182	33.6%
EBITDA [1]	**2,848**	**2,054**	**38.7%**	**5,491**	**4,020**	**36.6%**
Financial Income (Expense)	(649)	(9)	6909.9%	(1,081)	(130)	729.4%
Income Before Taxes	1,725	1,614	6.9%	3,466	3,035	14.2%
Net Income	**1,263**	**1,126**	**12.1%**	**2,425**	**2,087**	**16.2%**

Notes:
(1) EBITDA is calculated from the sum of net income, taxes, financial results and depreciation/amortization;
(2) The complete Income Statement can be consulted in CPFL Energia's Historical Information Base, available in the IR website. To access it, click here.

CPFL Energia - Key financial indicators by business segment (R$ million)	Distribution	Generation	Transmission	Others	Consolidated
2Q22					
EBITDA [1]	1,848	757	202	41	**2,848**
Financial results	(367)	(147)	(103)	(31)	**(649)**
Net Income	796	365	136	(35)	**1,263**
2Q21					
EBITDA [1]	1,249	714	14	77	**2,054**
Financial results	(2)	(57)	(0)	51	**(9)**
Net Income	664	388	11	63	**1,126**
Variation (%)					
EBITDA [1]	48.0%	6.0%	1351.3%	-46.3%	**38.7%**
Financial results	15540.6%	156.9%	40074.3%	-	**6909.9%**
Net Income	19.8%	-5.8%	1094.6%	-	**12.1%**

CPFL Energia - Key financial indicators by business segment (R$ million)	Distribution	Generation	Transmission	Others	Consolidated
1H22					
EBITDA[1]	3,686	1,430	340	36	**5,491**
Financial results	(655)	(284)	6	(147)	**(1,081)**
Net Income	1,635	659	284	(153)	**2,425**
1H21					
EBITDA[1]	2,510	1,351	26	132	**4,020**
Financial results	(91)	(109)	0	69	**(130)**
Net Income	1,261	726	22	78	**2,087**
Variation (%)					
EBITDA[1]	46.8%	5.8%	1193.1%	-73.0%	**36.6%**
Financial results	622.1%	161.6%	44191.0%	-	**729.4%**
Net Income	29.7%	-9.2%	1184.2%	-	**16.2%**

Notes:
(1) The analysis by business segment is presented in chapter 6;
(2) The breakdown of economic-financial performance by business segment can be consulted in CPFL Energia's Historical Information Base, available in the IR website. To access it, click here.

Non-cash effects, extraordinary items and others

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

EBITDA effects - R$ million	2Q22	2Q21	Var.	1H22	1H21	Var.
Adjustments in the concession financial assets (VNR)	439	222	97.7%	744	474	56.9%
Legal and judicial expenses	(86)	(39)	118.4%	(126)	(63)	100.3%
Assets write-off	(36)	(36)	-1.0%	(57)	(73)	-22.4%
Other extraordinary items:						
CPFL Santa Cruz - Tariff review effects (RAB appraisal report)	-	-	-	-	7	-
CPFL Santa Cruz - PIS/Cofins over ICMS	-	-	-	-	(34)	-
CPFL Brasil - PIS/Cofins over ICMS	-	45	-	-	45	-

EBITDA effects (CPFL Transmissão Consolidation) - R$ million	2Q22	2Q21	Var.	1H22	1H21	Var.
CPFL Transmissão - EBITDA IFRS (-) Regulatory EBITDA	56	-	-	91	-	-

Financial results effects - R$ million	2Q22	2Q21	Var.	1H22	1H21	Var.
Mark-to-market (MTM)	43	44	-2.5%	32	20	57.6%
CPFL Brasil - PIS/Cofins over ICMS	-	40	-	-	40	-

Note: The breakdown of economic-financial performance by business segment can be consulted in CPFL Energia's Historical Information Base, available in the IR website. To access, click here.

Impact of the acquisition of CPFL Transmissão: With the consolidation of CPFL Transmissão's figures as of 10/01/2021, the main impacts in 2Q22 and 1H22 on CPFL Energia were:

(i) R$ 427 million in gross operating revenue, representing an increase of 3.4% in the quarter, and of R$ 757 million, representing an increase of 3.0% in YTD;

(ii) R$ 295 million in net operating revenue (ex-construction revenue), representing an increase of 3.7% in the quarter, and R$ 546 million, representing an increase of 3.5% in YTD;

(iii) R$ 99 million in PMSO, representing an increase of 11.5% in the quarter, and R$ 212 million, representing an increase of 13.1% in YTD;

(iv) R$ 181 million in Ebitda, representing an increase of 8.8% in the quarter, and R$ 302 million, representing an increase of 7.5% in YTD;

(v) R$ 71 million of net financial revenue, reducing the variation in the financial result by 770.9% in the quarter, and R$ 39 million, increasing the variation in the financial result by 32.0% in YTD;

(vi) R$ 152 million in Net Income, representing an increase of 13.5% in the quarter, and R$ 288 million, representing an increase of 13.8% in YTD.

These amounts were considered for the purposes of consolidating CPFL Transmissão into the CPFL Energia group in 2Q22, that is, they already reflect the effects of the business combination. Therefore, the amounts may differ from those presented in CPFL Transmissão's Quarter Financial Statements.

Disregarding the effects of the consolidation of CPFL Transmissão over 2Q22, the variations would be as follows:

Consolidated Income Statement - CPFL ENERGIA without consolidation of CPFL Transmissão (R$ Million)

	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	13,525	12,703	6.5%	26,620	25,187	5.7%
Net Operating Revenue	8,963	8,813	1.7%	17,982	17,101	5.2%
Revenue from building the infrastructure	1,200	744	61.2%	2,225	1,367	62.8%
Net Operating Revenue (ex-rev. from infrastructure)	**7,763**	**8,068**	**-3.8%**	**15,757**	**15,734**	**0.1%**
Cost of Electric Power	(4,177)	(5,188)	-19.5%	(8,854)	(10,165)	-12.9%
Contribution Margin	**3,585**	**2,880**	**24.5%**	**6,903**	**5,569**	**24.0%**
PMSO	(990)	(864)	14.6%	(1,846)	(1,624)	13.7%
Other Operating Costs & Expenses	(1,717)	(1,229)	39.7%	(3,254)	(2,328)	39.8%
Equity Income	126	91	38.5%	241	182	32.6%
EBITDA [1]	**2,667**	**2,054**	**29.9%**	**5,189**	**4,020**	**29.1%**
Financial Income (Expense)	(578)	(9)	6138.9%	(1,120)	(130)	759.5%
Income Before Taxes	1,627	1,614	0.8%	3,149	3,035	3.8%
Net Income	**1,111**	**1,126**	**-1.3%**	**2,137**	**2,087**	**2.4%**

(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Resolution 156/22.

The explanations below must be read along with the impacts, listed on the previous page, related to the consolidation of CPFL Transmissão, a new company of the CPFL Energia group, for a complete understanding of the amounts reported in the 2Q22 Financial Statements.

Operating Revenue

In 2Q22, gross operating revenue reached R$ 13,525 million, representing an increase of 6,5% (R$ 822 million). Net operating revenue reached R$ 8,963 million in 2Q22, registering an increase of 1.7% (R$ 150 million).

In 1H22, gross operating revenue reached R$ 26,620 million, representing an increase of 5.7% (R$ 1,433 million). Net operating revenue reached R$ 17,982 million in 1H22, registering an increase of 5.2% (R$ 881 million).

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

Net Operating Revenue without consolidation of CPFL Transmissão(R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Distribution	7,751	7,522	3.0%	15,598	14,615	6.7%
Generation	885	869	1.8%	1,700	1,623	4.8%
Transmission	134	48	183.0%	261	96	173.8%
Commercialization	549	621	-11.7%	1,082	1,214	-10.8%
Services	265	205	29.1%	498	404	23.3%
Elimination and Others	(622)	(453)	37.4%	(1,158)	(850)	36.2%
Total	**8,963**	**8,813**	**1.7%**	**17,982**	**17,101**	**5.2%**

For further details about the revenue variation by segment, see **chapter 6 – Performance of Business Segments.**

Cost of Electric Energy

Cost of Electric Energy without consolidation of CPFL Transmissão (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Cost of Electric Power Purchased for Resale						
Energy from Itaipu Binacional	787	822	-4.2%	1,438	1,794	-19.8%
PROINFA	147	88	66.8%	317	185	71.5%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	2,734	3,589	-23.8%	5,599	6,666	-16.0%
PIS and COFINS Tax Credit	(328)	(400)	-18.0%	(648)	(763)	-15.0%
Total	**3,340**	**4,099**	**-18.5%**	**6,705**	**7,882**	**-14.9%**
Charges for the Use of the Transmission and Distribution System						
Basic Network Charges	668	746	-10.5%	1,354	1,527	-11.3%
Itaipu Transmission Charges	66	87	-23.9%	129	170	-24.0%
Connection Charges	26	52	-50.4%	49	99	-50.7%
Charges for the Use of the Distribution System	19	16	21.1%	36	31	18.0%
ESS / EER	152	298	-48.8%	815	686	19%
PIS and COFINS Tax Credit	(93)	(109)	-14.3%	(235)	(230)	2.3%
Total	**838**	**1,089**	**-23.1%**	**2,148**	**2,284**	**-5.9%**
Cost of Electric Energy	**4,177**	**5,188**	**-19.5%**	**8,854**	**10,165**	**-12.9%**

Cost of Electric Power Purchased for Resale

In 2Q22, the cost of electric power purchased for resale reached R$ 3,340 million, a reduction of 18.5% (R$ 759 million), mainly due to:

(i) Decrease of 23.8% in **energy purchased in auctions, bilateral contracts and spot market** (R$ 855 million), mainly due to the lower average price (-21.7%);

(ii) Decrease of 4.2% in **energy from Itaipu** (R$ 35 million), due to a lower volume of purchased energy (-3.0%), and as a result of the exchange variation (-1.2%);

Partially offset by the:

(iii) Reduction of 18.0% in **PIS and COFINS tax credit** (R$ 73 million);

(iv) Increase of 66.8% in **PROINFA** (R$ 59 million).

In 1H22, the cost of electric power purchased for resale reached R$ 6,705 million, a reduction of 14.9% (R$ 1,177 million), mainly due to:

(i) Decrease of 16.0% in **energy purchased in auctions, bilateral contracts and spot market** (R$ 1,067 million), due to the lower average price (-16.1%);

(ii) Decrease of 19.8% in **energy from Itaipu** (R$ 356 million), due to a lower volume of purchased energy (-17,1%), and the exchange variation (-3.3%);

Partially offset by the:

(iii) Increase of 71.5% in **PROINFA** (R$ 132 million);

(iv) Reduction of 15.0% in **PIS and COFINS tax credit** (R$ 115 million).

Volume of purchased energy without consolidation of CPFL Tran	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy from Itaipu Binacional	2,526	2,605	-3.0%	5,022	5,192	-3.3%
PROINFA	230	257	-10.5%	448	480	-6.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	14,005	14,392	-2.7%	29,395	29,356	0.1%
Total	**16,761**	**17,254**	**-2.9%**	**34,865**	**35,028**	**-0.5%**

Average price without consolidation of CPFL Transmissão (R$/M	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy from Itaipu Binacional	311.72	315.51	-1.2%	286.39	345.51	-17.1%
PROINFA	637.66	342.05	86.4%	706.99	384.78	83.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	195.19	249.39	-21.7%	190.46	227.08	-16.1%
Total	**218.83**	**260.75**	**-16.1%**	**210.91**	**246.79**	**-14.5%**

Charges for the Use of the Transmission and Distribution System

In 2Q22, charges for the use of the transmission and distribution system reached R$ 838 million, a decrease of 23.1% (R$ 252 million), due to:

(i) Reduction of 48.8% in **sector charges (ESS/EER)** (R$ 145 million), mainly due to ESS – System Service Usage Charges. The variation in this charge was due to the lower need to dispatch thermal power plants outside the merit order in 2Q22, compared to 2Q21, due to improvements in hydrological conditions. This effect was partially offset by the increase of EER – Reserve Energy Charges, resulting from a lower PLD;

(ii) Reduction of 13.5% in **connection and transmission charges** (basic network, Itaipu transport, connection, and use of the distribution system) (R$ 122 million);

Partially offset by:

(iii) Reduction of 14.3% in **PIS and Cofins tax credit** (R$ 16 million).

In 1H22, charges for the use of the transmission and distribution system reached R$ 2,148 million, a decrease of 5.9% (R$ 135 million), due to:

(i) Reduction of 14.1% in **connection and transmission charges** (basic network, Itaipu transport, connection, and use of the distribution system) (R$ 258 million);

(ii) Increase of 2.3% in **PIS and Cofins tax credit** (R$ 5 million);

Partially offset by:

(iii) Increase of 18.7% in **sector charges (ESS/EER)** (R$ 128 million), mainly due to the increase in the EER – Reserve Energy Charges, resulting from a lower PLD in this period, partially offset by the reduction of the ESS – System Service Usage Charges, due to the lower need to activate thermal power plants.

PMSO

PMSO without consolidation of CPFL Transmissão (R$ million)								
	2Q22	2Q21	Variation		1H22	1H21	Variação	
			R$ MM	%			R$ MM	%
Personnel	447	384	63	16.4%	858	747	111	14.8%
Material	124	83	41	50.0%	229	156	73	47.2%
Outsourced Services	146	159	(14)	-8.7%	276	306	(30)	-9.9%
Other Operating Costs/Expenses	273	238	36	15.0%	482	415	68	16.3%
Allowance for doubtful accounts	*91*	*100*	*(8)*	*-8.3%*	*182*	*154*	*28*	*18.1%*
Legal and judicial expenses	*64*	*39*	*25*	*62.7%*	*97*	*63*	*34*	*53.4%*
Assets Write-Off	*35*	*36*	*(1)*	*-2.5%*	*59*	*73*	*(14)*	*-19.0%*
Others	*83*	*62*	*20*	*32.1%*	*145*	*125*	*20*	*16.0%*
Total PMSO	**990**	**864**	**126**	**14.6%**	**1,846**	**1,624**	**222**	**13.6%**

PMSO in 2Q22 reached R$ 990 million, an increase of 14.6% (R$ 126 million), due to the following factors:

(i) Increase of 14.6% (R$ 95 million) in PMSO expenses linked to inflation:

a. In Personnel, the 16.4% variation (R$ 63 million) is explained not only by the salary adjustments in accordance with the collective labor agreement based on inflation, but also due to the increase in headcount, mainly in CPFL Serviços (+13.0%), due to higher volume of executed jobs, and in the Distribution segment (+5.0%).

b. In MSO, expenses related to fuel, such as fleet and transport, presented an increase of 22.7% (R$ 10 million); it is worth mentioning the increases in fuel prices in our concession area: diesel (+55%) and ethanol/gas (+21%).

Excluding the effects mentioned above, the PMSO linked to inflation would have increased by 10.8% (R$ 64 million), below the IPCA in the last 12 months (11.89%).

(ii) Increase of 62.7% (R$ 25 million) in legal and judicial expenses, due to the higher volume of civil and labor lawsuit;

(iii) Increase of 43.6% (R$ 14 million) in expenses related to Capex efforts;

Partially offset by:

(iv) Reduction of 8.3% (R$ 8 million) in the allowance for doubtful accounts (ADA). Despite this positive result, delinquency continues to be pressured by the economic situation and tariff increases, in addition to the application of the hydro scarcity flag until April;

(v) Reduction of 2.5% (R$ 1 million) in assets write-off.

PMSO in 1H22 reached R$ 1,846 million, an increase of 13.6% (R$ 222 million), due to the following factors:

(i) Increase of 12.3% (R$ 151 million) in PMSO expenses linked to inflation, reflection of the factors mentioned in the explanation above, in the variation of the quarter. Excluding the effects of the increase in headcount and fuel expenses, the PMSO linked to inflation would have increased by 8.4% (R$ 97 million);

(ii) Increase of 53.4% (R$ 34 million) in legal and judicial expenses, due to the higher volume of civil and labor lawsuit;

(iii) Increase of 18.1% (R$ 28 million) in the allowance for doubtful accounts (ADA), reflecting the increase resulting from tariff revisions, leaving delinquency still pressured by the economic situation, in addition to the application of the hydro scarcity flag until April. In the analysis of the index ADA/Revenue from Sales to Final Consumers, we maintained the level of 0.99%, which indicates that the higher volume of provisions is a reflection of the tariff increase;

(iv) Increase of 32.2% (R$ 20 million) in expenses related to Capex efforts;

(i) Increase of 6.8% (R$ 3 million) in collection actions;

(ii) Increase of 18.1% (R$ 28 million) in the allowance for doubtful accounts (ADA), reflecting the increase resulting from tariff revisions, leaving delinquency still pressured by the economic situation, in addition to the application of the hydro scarcity flag until April. In the analysis of the index ADA/Revenue from Sales to Final Consumers, we maintained the level of 0.99%, which indicates that the higher volume of provisions is a reflection of the tariff increase.

Partially offset by:

(iii) Reduction of 19.0% (R$ 14 million) in assets write-off.

Other operating costs and expenses

Other operating costs and expenses without consolidation of CPFL Transmissão

	2Q22	2Q21	Var.	1H22	1H21	Var.
Costs of Building the Infrastructure	1,196	741	61.4%	2,216	1,360	63.0%
Private Pension Fund	59	57	3.2%	118	113	3.9%
Depreciation and Amortization	462	431	7.4%	920	855	7.6%
Total	**1,717**	**1,229**	**39.7%**	**3,254**	**2,328**	**39.8%**

EBITDA

In 2Q22, **EBITDA (without consolidation of CPFL Transmissão)** reached R$ 2,667 million, registering an increase of 29.9% (R$ 613 million); in 1H22, **EBITDA (without consolidation of CPFL Transmissão)** reached R$ 5,189 million, registering an increase of 29.1% (R$ 1,169 million). These results were favored mainly by the good result of the Distribution segment.

EBITDA is calculated according to CVM Resolution No. 156/22 and showed in the table below:

EBITDA and Net Income conciliation without consolidation of CPFL Transmissão (R$ million)

	2Q22	2Q21	Var.	1H22	1H21	Var.
Net Income	**1,111**	**1,126**	**-1.3%**	**2,137**	**2,087**	**2.4%**
Depreciation and Amortization	463	431	7.4%	920	855	7.6%
Financial Result	578	9	6138.9%	1,120	130	759.5%
Income Tax / Social Contribution	516	488	5.8%	1,012	947	6.9%
EBITDA	**2,667**	**2,054**	**29.9%**	**5,189**	**4,020**	**29.1%**

Financial Result

Financial Result without consolidation of CPFL Transmissão (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Revenues	545	324	68.3%	983	549	79.0%
Expenses	(1,122)	(333)	237.1%	(2,103)	(679)	209.6%
Financial Result	**(578)**	**(9)**	**6138.9%**	**(1,120)**	**(130)**	**759.5%**

In 2Q22, the **net financial expense** was R$ 578 million, an increase of R$ 569 million compared to the 2Q21. The items that explain this variation are:

(i) Increase of 237.5% (R$ 580 million) in the **expenses with the net debt** (debt charges net of income from financial investments), mainly reflecting the increase of CDI in the period and higher debt expenses;

(ii) Negative variation of R$ 65 million in **other financial revenues/expenses**;

(iii) Reduction of 11.0% (R$ 17 million) in **late payment interests and fines,** due to the replacement of the IGP-M by the IPCA as the monetary adjustment index in invoices issued from 06/01/2021, as determined by Aneel;

Partially offset by:

(iv) Positive variation of R$ 95 million in **adjustment to the sectoral financial asset/liability**.

In 1H22, the **net financial expense** was R$ 1,120 million, an increase of R$ 990 million compared to the 1H21. The items that explain this variation are:

(i) Increase of 223.9% (R$ 1,057 million) in the **expenses with the net debt** (debt charges net of income from financial investments), mainly reflecting the increase of CDI in the period;

(ii) Negative variation of R$ 101 million in **other financial revenues/expenses**;

(iii) Reduction of 14.2% (R$ 43 million) in **late payment interests and fines,** due to the replacement of the IGP-M by the IPCA as the monetary adjustment index in invoices issued from 06/01/2021, as determined by Aneel;

Partially offset by:

(iv) Positive variation of R$ 212 million in **adjustment to the sectoral financial asset/liability**.

Income Tax and Social Contribution

In 2Q22, Income Tax and Social Contribution recorded an increase of 5.8% (R$ 29 million), mainly explained by the better operational performance in the Distribution segment. The effective rate, which was 30.2% in 2Q21, went to 31.7% in 2Q22.

In 1H22, Income Tax and Social Contribution recorded an increase of 6.9% (R$ 65 million), mainly explained by the better operational performance in the Distribution segment. The effective rate, which was 31.2% in 1H21, went to 32.1% in 1H22.

Net Income

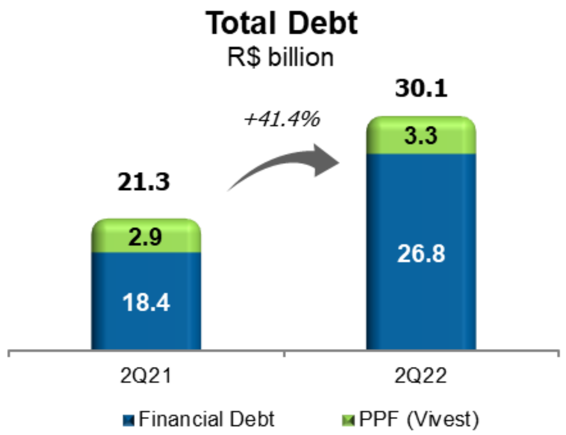
Net income (without consolidation of CPFL Transmissão) was of R$ 1,111 million in 2Q22, in line with the profit reported in 2Q21, recording a reduction of 1.3% (R$ 15 million). The good operating performance was partially offset by higher net financial expenses.

In 1H22, the **Net income (without consolidation of CPFL Transmissão)** was of R$ 2,137 million, an increase of 2.4% (R$ 50 million). This result reflects the increase in EBITDA, mainly due to the improvement in the performance of the Distribution segment, partially offset by the higher net financial expenses.

3.2) Indebtedness

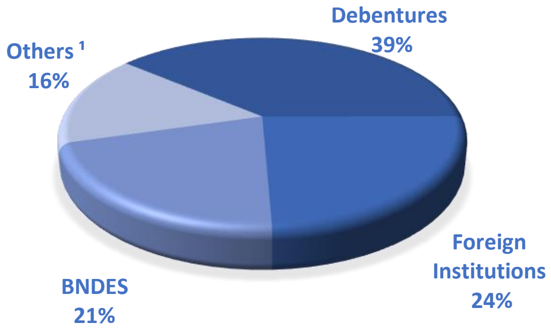
3.2.1) Debt (IFRS)

In June 30, 2022, CPFL Energia's total debt was R$ 30.1 billion, with an increase of 41.4% compared to the last year. The financial debt of the group, which considers loans, debentures and intercompany loans, was of R$ 26.8 billion in the same date.



Notes:
(1) Including the mark-to-market (MTM) effect and borrowing costs;
(2) Including the intercompany loan, in the amount of R$ 2.4 billion, of CPFL Renováveis and CPFL Brasil with SGBP.

Debt Profile – IFRS

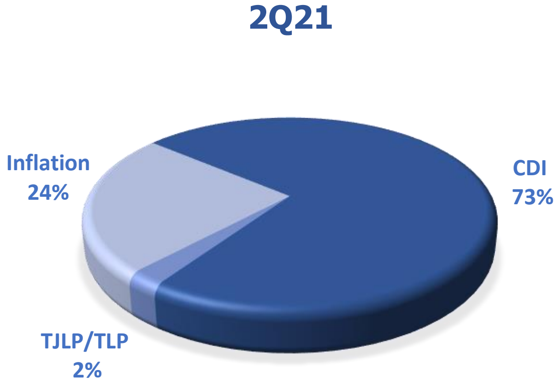


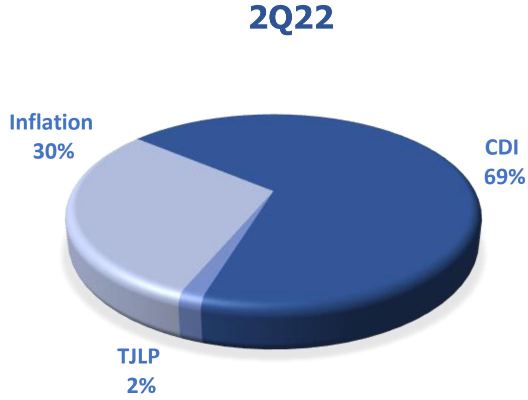
Average Cost (End of the period – IFRS)
2Q22 – 14.94%
2Q21 – 6.53%

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

The CPFL Group constantly seeks to mitigate any possibility of market fluctuations risk and, for this reason, a share of its debt's portfolio, around R$ 7.1 billion, is protected by hedge operations. Considering, for instance, foreign loans, which represent around 24% of the total debts (in IFRS), it was contracted swap operations, aiming protection for the foreign exchange and the rate linked to the contract.

Indexation After Hedge
2Q21 vs. 2Q22





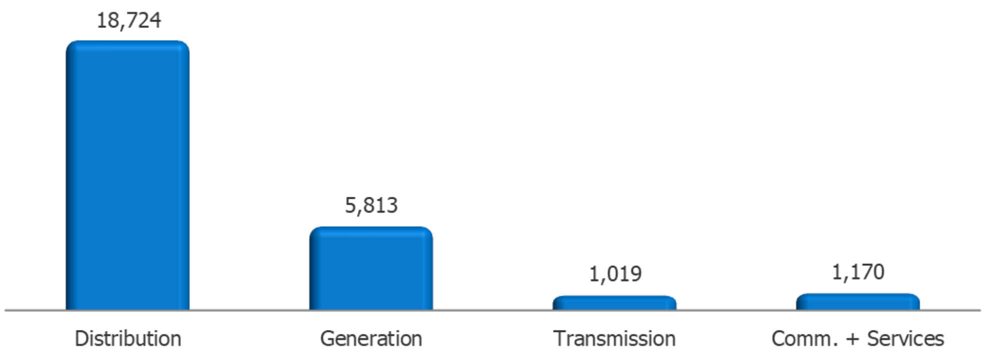
Note: (1) For debts contracted in foreign currency (24.0% of the total in 2Q22), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in IFRS criteria

IFRS | R$ Million	2Q22	2Q21	Var. %
Financial Debt (including hedge)	(26,778)	(18,371)	45.8%
(+) Available Funds	4,099	3,022	35.6%
(=) Net Debt	**(22,680)**	**(15,350)**	**47.8%**

Note: Availability includes the value of Marketable Securities. Therefore, for comparison purposes, 2Q21 is being stated.

Debt by Segment (R$ Million – IFRS)



Notes:
1) The Generation segment considers CPFL Renováveis, CPFL Geração and Ceran; the Services segment considers CPFL Serviços and CPFL Eficiência.
2) Considering the debt's notional, interests and derivatives. Includes the intercompany loans of CPFL Renováveis and CPFL Brasil with SGBP.

New funding operations

In 2Q22, we raised R$ 2.3 billion through debenture issues by CPFL Geração, RGE, CPFL Piratininga and CPFL Transmissão. In addition, we prepaid CPFL Transmissão's debts (R$ 351 million related to the IDB and R$ 264 million to the AFD) in accordance with the debt replacement plan in the CEEE-T acquisition.

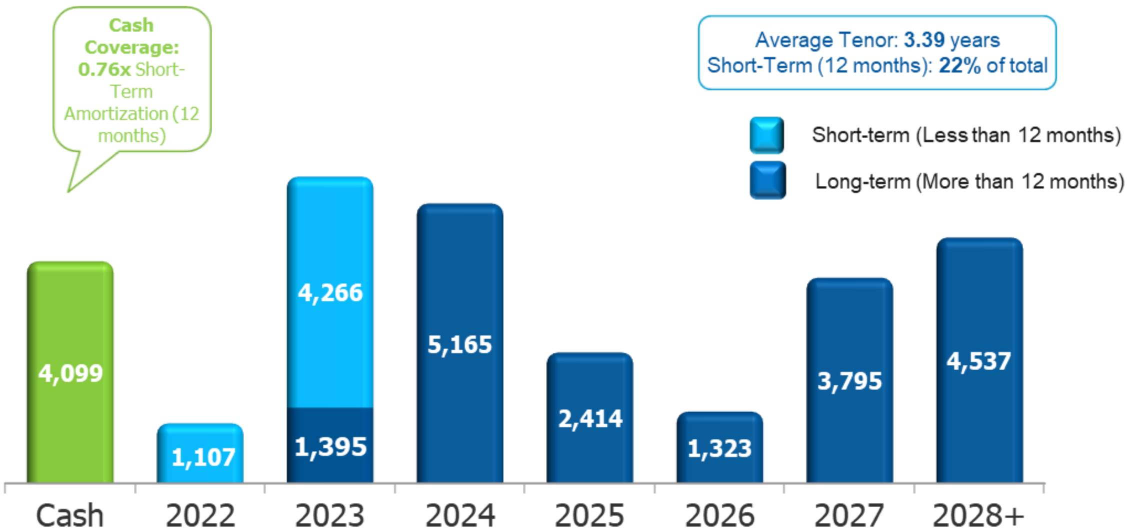
Debt Amortization Schedule in IFRS (June 2022)

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

The cash position at the end of 2Q22 had a coverage ratio of **0.76x** the amortizations of the next 12 months, which allows the CPFL Group to honor part the amortization commitments of 2022. The average amortization term based on this schedule is of **3.39 years**.

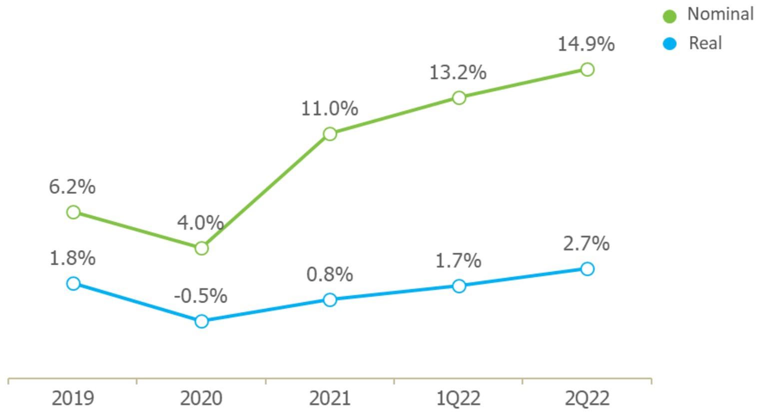
The debt amortization schedule of the financial debt below considers only the notional of the debts and derivatives.

Debt Amortization Schedule (IFRS)



Notes:
(1) Considering only the notional and hedge of the debt. In order to reach the financial result of R$ 26,778 million, should be included charges and the mark-to-market (MTM) effect and cost with funding;
(2) Including the intercompany loan of CPFL Renováveis and CPFL Brasil with SGBP;
(3) It does consider the amount of R$ 487 thousand of Marketable Securities, according to covenants criteria.

Gross Debt Cost¹ in IFRS criteria



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

Ratings

The following table shows the corporate ratings of CPFL Energia.

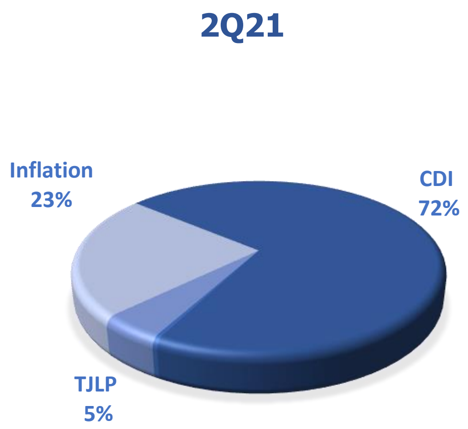
Ratings of CPFL Energia - Corporate Credit			
Agency	**Scale**	**Rating**	**Perspective**
Standard & Poor's	Brazilian	brAAA	Stable
Fitch Rating	Brazilian	AAA(bra)	Stable
Moody's	Brazilian	Aaa.br	Stable

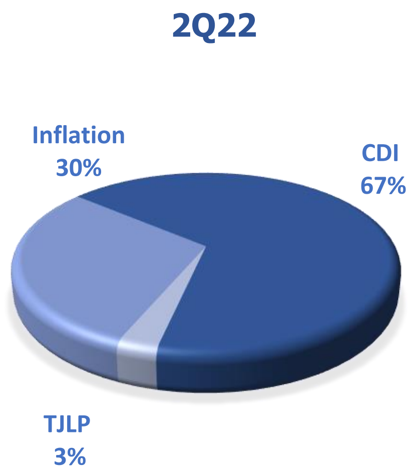
Note: On May 27th, 2022, Moodys' agency affirmed the AAA.br rating on CPFL Geração, RGE, CPFL Piratininga and CPFL Transmissão debenture issuance.

3.2.2) Debt in Financial Covenants Criteria

Indexation and Debt Cost in Financial Covenants Criteria

Indexation¹ after Hedge² - 2Q21 vs. 2Q22





Notes:
(1) The total amount considers the proportional consolidation of Ceran, Enercan, Foz do Chapecó and EPASA;
(2) For debts contracted in foreign currency (28.0% of the total), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in Financial Covenants Criteria and Leverage

In the end of the 2Q22, the *Proforma* Net Debt totaled **R$ 27,455** million, an increase of **45.4%** compared to net debt position at the end of 2Q21, in the amount of **R$ 18,883 million**.

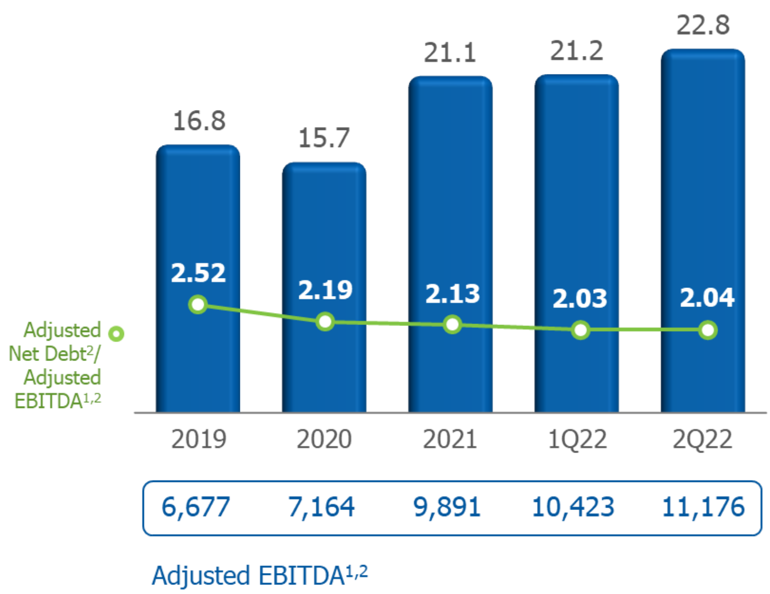
The reconciliation of CPFL Energia's Net Debt/EBITDA indicator, for purposes of calculating financial covenants, is available on CPFL Energia's Historical Information Base, on the IR website. Click here to access it.

Covenant Criteria - R$ Million	2Q22	2Q21	Var.%
Financial Debt (including hedge)[1]	(27,455)	(18,883)	45.4%
(+) Available Funds[3]	4,662	3,202	45.6%
(=) Net Debt	**(22,793)**	**(15,681)**	**45.4%**
EBITDA Proforma[2]	11,176	8,320	34.3%
Net Debt / EBITDA	**2.04**	**1.88**	**8.2%**

Notes:
(1) Considers the proportional consolidation of Ceran, Enercan, Foz do Chapecó and EPASA. For more details, the reconciliation between IFRS balances and covenants will be in our CPFL Energia's Historical Information Basis;
(2) *Proforma* EBITDA in the financial covenants criteria: (a) adjusted according CPFL Energia's stake in each of its subsidiaries; (b) considers the result of the last 12 months of CPFL Transmissão. For more details, the reconciliation between IFRS balances and covenants is in CPFL Energia's Historical Information Base;
(3) Available Funds already considering Marketable Securities.

Considering that the *Proforma* Net Debt totaled **R$ 22,793 million** and *Proforma* EBITDA in the last 12 months reached **R$ 11,176 million**, the ratio *Proforma* Net Debt/EBITDA at the end of 2Q22 reached **2.04x**.

Leverage in financial covenants criteria - R$ billion



Notes:
(1) LTM EBITDA, including CPFL Transmissão, according to financial covenants criteria.
(2) Adjusted for the proportional consolidation of the assets of Geração and CPFL Transmissão, as well as considering the loan agreement with SGBP.

3.3) Investments

3.3.1) Actual Investments

Investments (R$ Million)						
Segment	**2Q22**	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
Distribution	1,137	738	54.2%	2,112	1,334	58.3%
Generation	43	224	-80.8%	105	267	-60.8%
Commercialization	2	2	-16.3%	3	5	-44.3%
Services and Others[1]	10	19	-47.0%	14	33	-57.4%
Transmission[2]	154	36	328.1%	324	74	336.7%
Total	**1,346**	**1,019**	**32.1%**	**2,558**	**1,714**	**49.2%**

Notes:
(1) Others - basically refers to assets and transactions that are not related to the listed segments;
(2) Transmission - Transmission assets do not have fixed assets, the figures in this table are the addition of contractual assets.

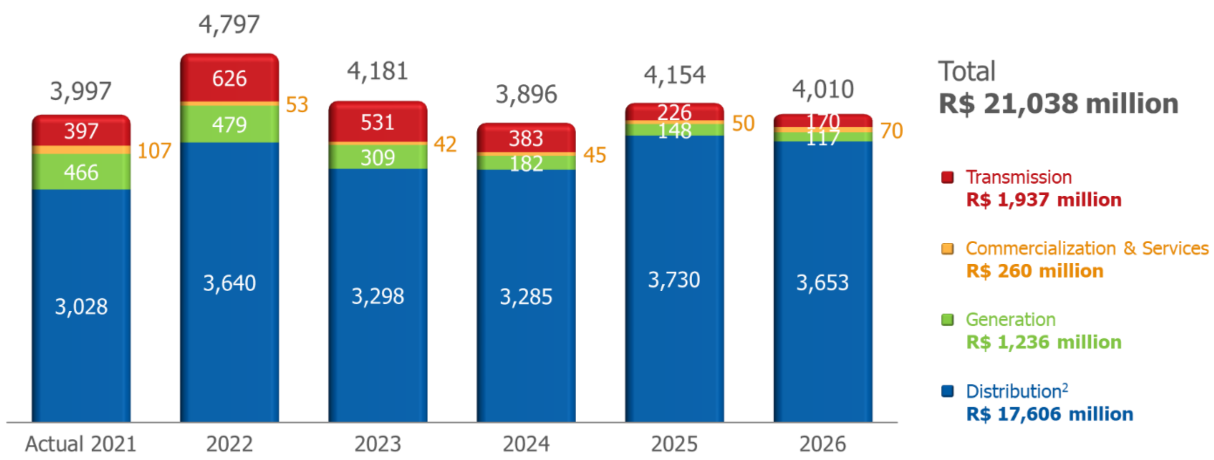
In 2Q22, the investments were of R$ 1,346 million, an increase of 32.1%, compared to R$ 1,019 million registered in 2Q21. In 1H22, the investments were of R$ 2,588 million, which represents an increase of 49.2% related to the same period in 2021.

We highlight investments made by CPFL Energia in the Distribution segment, in the amount of R$ 1,137 million during the 2Q22 and R$ 2,112 million in 1H22, mainly intended to customer service works and sector expansion, along with improvements and modernization.

3.3.2) Investment Forecast

On November 11th, 2021, the Board of Directors of CPFL Energia approved Board of Executive Officers' proposal for 2022 Annual Budget and 2022/2026 Multiannual Plan for the Company, which was previously discussed by the Budget and Corporate Finance Committee.

Investment Forecast (R$ million)[1]



Notes:
1) Constant currency;
2) Disregard investments in Special Obligations (among other items financed by consumers).

4) STOCK MARKETS

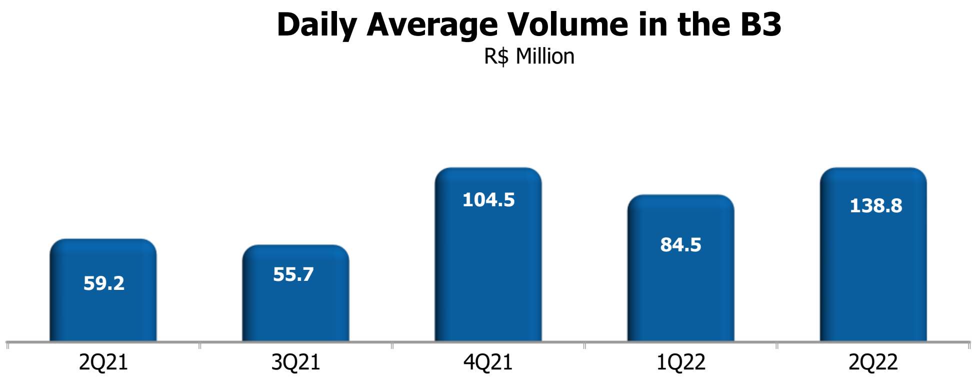
4.1) Stock Performance

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

B3				
Date	**CPFE3**		**IEE**	**IBOV**
03/31/2022	R$	30.88	78,787	98,542
12/31/2021	R$	26.83	76,305	104,822
03/31/2021	R$	26.91	80,452	126,802
QoQ		**15.1%**	**3.3%**	**-6.0%**
YoY		**14.8%**	**-2.1%**	**-22.3%**

4.2) Daily Average Volume

The daily average volume trading of CPFL Energia in 2Q22 was R$ 138.8 million, representing an increase of 134.4% if compared to 2Q21.



5) SUSTAINABILITY AND ESG INDICATORS

5.1) Sustainability Plan (2020-2024)

The Sustainability Plan (2020-2024), integrated into the CPFL Energia's Strategic Plan, defines the guidelines so that we can "provide sustainable, accessible and reliable energy at all times, making people's lives safer, healthier and more prosperous in the regions where we operate". Our corporate goal is to drive the transition to a more sustainable model of producing and consuming energy, leveraging the positive impacts of our business model on the community and the value chain.

To this end, we have identified three pillars that support the way we conduct our business and execute our strategy: Sustainable Energy, Smart Solutions and Society Shared Value. Within the pillars, we made 15 commitments guided by the United Nations' Sustainable Development Goals (SDGs). We also define the enablers: ethics, employee development & inclusion and transparency. The commitments are available on the CPFL Energia IR website: www.cpfl.com.br/ir

5.2) Key ESG Indicators aligned to the Plan

Below we list some indicators in line with the Sustainability Plan, which we will disclose quarterly for follow-up.

2Q22

SUSTAINABLE ENERGY - Seeking the smallest possible environmental footprint

Theme	Indicator	Unit	2Q22	2Q21	Var.
Renewable energy	Total energy generated by renewable sources	GWh	3,389	2,377	42.6%
	HPPs (hydro)	GWh	1,995	844	136.3%
	SHPPs and CGHs	GWh	453	221	105.1%
	Solar	GWh	0.0	0.3	-91.5%
	Wind	GWh	666	968	-31.2%
	Biomass	GWh	275	344	-19.9%
Circular economy	Number of refurbished transformers	unit	2,722	2,748	-0.9%
	Volume of aluminum, copper and iron sent to the reverse chain	tons	2,269	1,747	29.9%
Natural resources	Water consumption (administrative buildings)	1,000 m³	19	24	-21.2%
	Energy consumption (administrative buildings)	MWh	8,720	8,641	0.9%

SMART SOLUTIONS - Offering solutions for the future of energy

Theme	Indicator	Unit	2Q22	2Q21	Var.
Smart Grid	% of telemetered load	%	57.7%	57.1%	1.1%
	Number of installed automatic reclosers	unit	15,335	13,788	11.2%
Digitalization	% de digitalization of customer services	%	90%	89%	1.6%
	Number of digital bills	million	4.2	4.0	3.9%
	% of bills paid digitally	%	67.4%	62.7%	7.4%
Innovation	Investments in innovation (Aneel R&D)[1]	R$ million	12.4	14.0	-11.5%
Low carbon solutions	Carbon credits and Energy stamps sales Revenue	R$ million	7.7	0.9	724.0%
	Number of projects qualified for the commercialization of carbon credits and renewable energy seals	unit	21	18	16.7%

Note [1] Considering only investments that are 100% under CPFL Energia's management

SOCIETY SHARED VALUE - Maximizing our positive impacts on the community and the value chain

Theme	Indicator	Unit	2Q22	2Q21	Var.
Social transformation	Investment in Energy Efficiency actions (Aneel)	R$ million	30.1	42.0	-28.4%
	Investment through Instituto CPFL[1]	R$ million	0.0	0.1	-
	Number of hospitals benefited by the "CPFL nos Hospitais" Program[2]	number of hospitals	287	129	122.5%
	Number of people benefited by Instituto CPFL social programs	1,000 people	192.9	141.4	36.4%
	Number of low income families benefited by the Energy Efficiency Programs (Aneel)	1,000 families	1.8	6.9	-73.9%
Health & Safety	Number of safety inspections carried out in our own headcount and in contracted ones	1,000 inspections	7.3	6.3	16.6%
	Number of audits carried out in the contracted companies	number of audits	212	199	6.5%
	Accident frequency rate (own employees)	Number of injured * 1MM / hours worked with risk exposure	1.1	1.5	-24.0%
	Accident frequency rate (outsourced)	Number of injured * 1MM / hours worked with risk exposure	5.2	2.7	91.9%
	Number of fatal accidents with the population	number of accidents	4	8	-50.0%

Notes
[1] Instituto CPFL's investments start in the 2Q
[2] Regarding completed projects. Counting projects still in progress, the number of beneficiaries is 325

ENABLERS

Theme	Indicator	Unit	2Q22	2Q21	Var.
Ethics	% of employees trained in Ethics and Integrity	%	82%	86%	-4.7%
Employee Development & Inclusion	Number of training hours[1]	1,000 hours	206	216	-4.6%
	% of PoC in the company	%	27.9%	25.8%	7.9%
	% of women in leadership positions	%	21.1%	19.8%	6.6%
Transparency	Number of Independent Member in the Board of Directors	number	2	2	-
	Number of women in the Board of Directors	number	1	0	-

Note: [1] Consider the professional requalification program

On May 12, 2022, Ms. Liu Yanli was elected as a member of the Board of Directors of CPFL Energia.

In December 2021, we launched a new **Code of Ethical Conduct**. Thus, training related to Ethics and Integrity in the company was restarted, now considering the content updates carried out.

1H22

SUSTAINABLE ENERGY - Seeking the smallest possible environmental footprint

Theme	Indicator	Unit	1H22	1H21	Var.
Renewable energy	Total energy generated by renewable sources	GWh	5,285	5,164	2.3%
	HPPs (hydro)	GWh	2,680	2,228	20.3%
	SHPPs and CGHs	GWh	873	642	36.1%
	Solar	GWh	0.1	0.7	-79.1%
	Wind	GWh	1,394	1,870	-25.4%
	Biomass	GWh	337	424	-20.6%
Circular economy	Number of refurbished transformers	unit	5,085	5,348	-4.9%
	Volume of aluminum, copper and iron sent to the reverse chain	tons	3,983	3,400	17.1%
Natural resources	Water consumption (administrative buildings)	1,000 m³	53	54	-2.1%
	Energy consumption (administrative buildings)	MWh	17,974	17,746	1.3%

SMART SOLUTIONS - Offering solutions for the future of energy

Theme	Indicator	Unit	1H22	1H21	Var.
Smart Grid	% of telemetered load	%	57.7%	57.1%	1.1%
	Number of installed automatic reclosers	unit	15,335	13,788	11.2%
Digitalization	% de digitalization of customer services	%	90%	89%	1.6%
	Number of digital bills	million	4.2	4.0	3.9%
	% of bills paid digitally	%	66.9%	61.6%	8.7%
Innovation	Investments in innovation (Aneel R&D)[1]	R$ million	23.3	26.4	-11.8%
Low carbon solutions	Carbon credits and Energy stamps sales Revenue	R$ million	10.6	1.6	560.8%
	Number of projects qualified for the commercialization of carbon credits and renewable energy seals	unit	21	18	16.7%

Note [1] Considering only investments that are 100% under CPFL Energia's management

SOCIETY SHARED VALUE - Maximizing our positive impacts on the community and the value chain

Theme	Indicator	Unit	1H22	1H21	Var.
Social transformation	Investment in Energy Efficiency actions (Aneel)	R$ million	51.1	73.3	-30.3%
	Investment through Instituto CPFL[1]	R$ million	0.0	0.1	-100.0%
	Number of hospitals benefited by the "CPFL nos Hospitais" Program[2]	number of hospitals	287	129	122.5%
	Number of people benefited by Instituto CPFL social programs	1,000 people	352.5	268.4	31.3%
	Number of low income families benefited by the Energy Efficiency Programs (Aneel)	1,000 families	3.8	23.4	-83.8%
Health & Safety	Number of safety inspections carried out in our own headcount and in contracted ones	1,000 inspections	13.6	11.4	19.1%
	Number of audits carried out in the contracted companies	number of audits	428	399	7.3%
	Accident frequency rate (own employees)	Number of injured * 1MM / hours worked with risk exposure	1.1	1.5	-24.0%
	Accident frequency rate (outsourced)	Number of injured * 1MM / hours worked with risk exposure	5.2	2.7	91.9%
	Number of fatal accidents with the population	number of accidents	10	11	-9.1%

Notes
[1] Instituto CPFL's investments start in the 2Q
[2] Regarding completed projects. Counting projects still in progress, the number of beneficiaries is 325

ENABLERS

Theme	Indicator	Unit	1H22	1H21	Var.
Ethics	% of employees trained in Ethics and Integrity	%	82%	86%	-4.7%
Employee Development & Inclusion	Number of training hours[1]	1,000 hours	356	496	-28.2%
	% of PoC in the company	%	27.9%	25.8%	7.9%
	% of women in leadership positions	%	21.1%	19.8%	6.6%
Transparency	Number of Independent Member in the Board of Directors	number	2	2	-
	Number of women in the Board of Directors	number	1	0	-

Note: [1] Consider the professional requalification program

6) PERFORMANCE OF BUSINESS SEGMENTS

6.1) Distribution Segment

6.1.1) Economic-Financial Performance

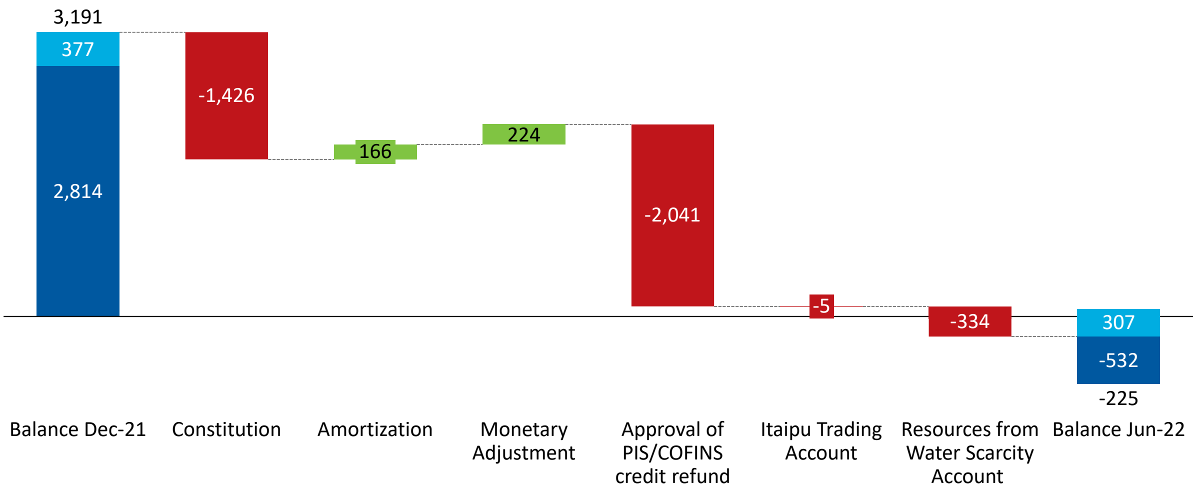
Consolidated Income Statement - Distribution (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	**12,143**	**11,313**	**7.3%**	**23,926**	**22,459**	**6.5%**
Net Operating Revenue	**7,751**	**7,522**	**3.0%**	**15,598**	**14,615**	**6.7%**
Cost of Electric Power	(3,934)	(4,775)	-17.6%	(8,243)	(9,317)	-11.5%
Operating Costs & Expenses	(2,221)	(1,728)	28.6%	(4,170)	(3,239)	28.7%
EBIT	1,596	1,020	56.5%	3,186	2,059	54.7%
EBITDA (1)	**1,848**	**1,249**	**48.0%**	**3,686**	**2,510**	**46.8%**
Financial Income (Expense)	(367)	(2)	15540.6%	(655)	(91)	622.1%
Income Before Taxes	1,228	1,017	20.7%	2,531	1,968	28.6%
Net Income	**796**	**664**	**19.8%**	**1,635**	**1,261**	**29.7%**

Note:

(1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization.
(2) The complete Income Statement can be consulted in the CPFL historical information base, available in the IR website, to access it, click here.

Sectoral Financial Assets and Liabilities

On June 30, 2022, the balance of sectoral financial assets and liabilities was negative in R$ 225 million. If compared to December 31, 2021, there was a decrease of R$ 3,416 million, as demonstrated in the chart below:



The variation in this balance was due to the constitution of a liability of R$ 1.426 million, mainly due to:

(i) electric energy cost (R$ 2,014 million);

(ii) cost with sector charges (ESS/EER) (R$ 1,085 million);

partially offset by the constitution of assets in:

(iii) energy development account (“CDE”) (R$ 688 million);

(iv) over contracting (R$ 541 million);

(v) transmission from Itaipu (R$ 418 million); and

(vi) other items (R$ 26 million).

The amortization reached R$ 166 million and the monetary adjustment of assets and liabilities totaled R$ 224 million.

Moreover, there was also an impact of R$ 2,041 million, referring to: (i) the approval of the refund of the PIS/Cofins credit, and (ii) the deferral of the 2021 tariff processes in CPFL Paulista and RGE. In addition, Aneel approved the transfer of the balance of the Itaipu account, in the amount of R$ 5 million to CPFL's distributors, decision taken in order to mitigate the tariff increase. Finally, there was the transfer of resources from the Water Scarcity Account and Energy Imports and the Cost of the Incentivized Reduction Bonus, in the amount of R$ 334 million.

Operating Revenue

Operating Revenue						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue						
Revenue with Energy Sales (Captive + TUSD)	9,757	8,701	12.1%	21,013	18,147	15.8%
Short-term Electric Energy	123	502	-75.4%	214	647	-66.9%
Revenue from Building the Infrastructure of the Concession	1,084	708	53.0%	1,997	1,293	54.5%
Sectoral Financial Assets and Liabilities	88	691	-87.2%	(1,260)	943	-
CDE Resources - Low-income and Other Tariff Subsidies	525	389	34.7%	995	772	29.0%
Adjustments to the Concession's Financial Asset	439	222	97.7%	744	481	54.7%
Other Revenues and Income	153	120	28.0%	295	233	26.7%
Compensatory Fines (DIC/FIC)	(26)	(19)	37.7%	(72)	(57)	26.1%
Total	**12,143**	**11,313**	**7.3%**	**23,926**	**22,459**	**6.5%**
Deductions from the Gross Operating Revenue						
ICMS Tax	(1,884)	(1,776)	6.1%	(4,014)	(3,722)	7.8%
PIS and COFINS Taxes	(786)	(914)	-14.1%	(1,517)	(1,887)	-19.6%
CDE Sector Charge	(1,406)	(913)	53.9%	(2,842)	(1,925)	47.6%
R&D and Energy Efficiency Program	(63)	(66)	-5.4%	(129)	(129)	0.2%
PROINFA	(76)	(52)	47.0%	(131)	(96)	37.2%
Tariff Flags	(167)	(60)	177.9%	328	(67)	-
Others	(11)	(9)	22.9%	(22)	(17)	28.7%
Total	**(4,392)**	**(3,791)**	**15.8%**	**(8,328)**	**(7,843)**	**6.2%**
Net Operating Revenue	**7,751**	**7,522**	**3.0%**	**15,598**	**14,615**	**6.7%**

In 2Q22, gross operating revenue amounted to R$ 12,143 million, an increase of 7.3% (R$ 830 million), due to the following factors:

(i) Increase of 12.1% (R$ 1,057 million) in **Revenue with Energy Sales** (captive + free clients), due to: the positive average tariff adjustment in the distribution companies in the period between 2Q21 and 2Q22 (average increases of 9.95% in RGE, in June 2021; of 12.40% in CPFL Piratininga, in October 2021; of 8.83% in CPFL Santa Cruz, in March 2022; and of 14.97% in CPFL Paulista, in April 2021);

(ii) Increase of 53.0% (R$ 375 million) in **Revenue from Building the Infrastructure of the Concession**, which has its counterpart in operating costs;

(iii) Increase of 97.7% (R$ 217 million) in the **adjustments to the Concession's Financial Asset**, due to the increases of the asset base and the IPCA, from 2.08% in 2021 to 3.18% in 2022;

(iv) Increase of 34.7% (R$ 135 million) in **CDE Resources - Low-income and Other Tariff Subsidies**;

(v) Increase of 26.2% (R$ 26 million) in the **other revenues and income**;

Partially offset by:

(vi) Variation of R$ 603 million in the accounting of **Sectoral Financial Assets/Liabilities**;

(vii) Decrease of 75.4% (R$ 378 million) in **Short-term Electric Energy,** due to a lower spot price (PLD).

Deductions from the gross operating revenue were R$ 4,392 million in 2Q22, representing an increase of 15.8% (R$ 601 million), due to the following factors:

(i) Increase of 53.9% (R$ 492 million) in **CDE** due to the increase in the "CDE Use", mainly in CPFL Paulista and RGE;

(ii) Increase of R$ 107 million in the accounting of **tariff flags**[2], due to the reclassification of the tariff flag to Sectorial Financial Assets and Liabilities;

(iii) Increase of 18.0% (R$ 23 million) in the **other items**;

Partially offset by:

(iv) Decrease of 0.8% (R$ 21 million) in **taxes** (ICMS and PIS/Cofins).

Net operating revenue reached R$ 7,751 million in 2Q22, representing an increase of 3.0% (R$ 229 million).

In 1H22, gross operating revenue amounted to R$ 23,926 million, an increase of 6.5% (R$ 1,467 million), due to the following factors:

(i) Increase of 15.8% (R$ 2,866 million) in **Revenue with Energy Sales** (captive + free clients), due to: (a) the positive average tariff adjustment in the distribution companies, in consumers' perception, in the period between 1H21 and 1H22; (b) the adoption of the "hydro scarcity" flags until April 2022 and 2 months of green flag, compared to the adoption of 4 yellow flags, 1 "red level 1" flag and 1 "red level 2" flag in 1H21;

(ii) Increase of 54.5% (R$ 704 million) in **Revenue from Building the Infrastructure of the Concession**, which has its counterpart in operating costs;

(iii) Increase of 54.7% (R$ 263 million) in the **adjustments to the Concession's Financial Asset**, due to the increases of the asset base and the IPCA, from 4.61% in 2021 to 5.55% in 2022;

(iv) Increase of 29.0% (R$ 224 million) in **CDE Resources - Low-income and Other Tariff Subsidies**;

(v) Increase of 26.9% (R$ 47 million) in the **other revenues and income**;

Partially offset by:

(vi) Variation of R$ 2.204 million in the accounting of **Sectoral Financial Assets/Liabilities**, from an asset of R$ 943 million in 1H21 to a liability of R$ 1,260 million in 1H22. This variation was also affected by the inclusion of the balance of tariff flags from December 2021, accounted before as a deduction from operating revenues,

[2] Since Jan/22, the Tariff Flags are no longer accounted for in Deductions from Gross Operating Revenue and started to compose the balance of Sectorial Financial Assets and Liabilities.

and considered as a regulatory asset only upon tariff adjustment, according to ANEEL Dispatch nº 2,904/21 (which approved the 2022 version of the MCSE), in the amount of R$ 494 million;

(vii) Decrease of 66.9% (R$ 432 million) in **Short-term Electric Energy**, due to a lower spot price (PLD).

Deductions from the gross operating revenue were R$ 8,328 million in 1H22, representing an increase of 6.2% (R$ 485 million), due to the following factors:

(i) Increase of 47.6% (R$ 916 million) in **CDE** due to the increase of R$ 790 million in the "CDE Use" and an increase of R$ 143 million the inclusion of the "CDE Covid Account";

(ii) Increase of 16.9% (R$ 41 million) in the **other items**;

Partially offset by:

(iii) Variation of R$ 395 million in the accounting of **tariff flags**[3], due to the reclassification of the tariff flag to Sectorial Financial Assets and Liabilities;

(iv) Decrease of 1.4% (R$ 78 million) in **taxes** (ICMS and PIS/Cofins).

Net operating revenue reached R$ 15,598 million in 1H22, representing an increase of 6.7% (R$ 983 million).

Cost of Electric Energy

Cost of Electric Energy (R$ Million)						
	2Q22	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
Cost of Electric Power Purchased for Resale						
Energy from Itaipu Binacional	787	822	-4.2%	1,438	1,794	-19.8%
PROINFA	147	88	66.8%	317	185	71.5%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	2,397	3,174	-24.5%	4,793	5,804	-17.4%
PIS and COFINS Tax Credit	(300)	(366)	-18.2%	(578)	(690)	-16.3%
Total	**3,031**	**3,718**	**-18.5%**	**5,970**	**7,092**	**-15.8%**
Charges for the Use of the Transmission and Distribution System						
Basic Network Charges	697	725	-3.9%	1,406	1,482	-5.1%
Itaipu Transmission Charges	66	87	-23.9%	129	170	-24.0%
Connection Charges	69	50	37.8%	135	96	40.6%
Charges for the Use of the Distribution System	11	10	19.3%	22	20	10.3%
ESS / EER	152	293	-48.2%	813	685	18.7%
System Service Usage Charges - ESS	6	200	-96.9%	504	556	-9.3%
Reserve Energy Charges - EER	146	93	56.1%	308	129	139.9%
PIS and COFINS Tax Credit	(92)	(108)	-14.6%	(232)	(227)	2.1%
Total	**903**	**1,057**	**-14.6%**	**2,273**	**2,225**	**2.1%**
Cost of Electric Energy	**3,934**	**4,775**	**-17.6%**	**8,243**	**9,317**	**-11.5%**

Cost of Electric Power Purchased for Resale

In 2Q22, the cost of electric power purchased for resale reached R$ 3,031 million, a reduction of 18.5% (R$ 686 million), mainly due to:

(v) Decrease of 24.5% in **energy purchased in auctions, bilateral contracts and**

[3] Since Jan/22, the Tariff Flags are no longer accounted for in Deductions from Gross Operating Revenue and started to compose the balance of Sectorial Financial Assets and Liabilities.

spot market (R$ 777 million), due to the lower average price (-21.8%) and a lower volume of purchased energy (-3.4%);

(vi) Decrease of 4.2% in **energy from Itaipu** (R$ 35 million), due to a lower volume of purchased energy (-3.0%), and the exchange variation, which reduced the average price of energy in 1.2%;

Partially offset by the:

(vii) Increase of 66.8% in **PROINFA** (R$ 59 million);

(viii) Reduction of 18.2% in **PIS and COFINS tax credit** (R$ 67 million).

In 1H22, the cost of electric power purchased for resale reached R$ 5,970 million, a reduction of 15.8% (R$ 1,122 million), mainly due to:

(v) Decrease of 17.4% in **energy purchased in auctions, bilateral contracts and spot market** (R$ 1,010 million), due to the lower average price (-15.5%);

(vi) Decrease of 19.8% in **energy from Itaipu** (R$ 356 million), due to a lower volume of purchased energy (-17,1%), and the exchange variation, which reduced the average price of this energy in 3.3%;

Partially offset by the:

(vii) Increase of 71.5% in **PROINFA** (R$ 132 million);

(viii) Reduction of 16.3% in **PIS and COFINS tax credit** (R$ 112 million).

Volume of purchased energy (GWh)	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy from Itaipu Binacional	2,526	2,605	-3.0%	5,022	5,192	-3.3%
PROINFA	230	257	-10.5%	448	480	-6.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	11,105	11,499	-3.4%	23,113	23,653	-2.3%
Total	**13,861**	**14,361**	**-3.5%**	**28,582**	**29,325**	**-2.5%**

Average price (R$/MWh)	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy from Itaipu Binacional	311.72	315.51	-1.2%	286.39	345.51	-17.1%
PROINFA	637.66	342.05	86.4%	706.99	384.78	83.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	215.81	276.01	-21.8%	207.40	245.37	-15.5%
Total	**218.68**	**258.86**	**-15.5%**	**208.87**	**241.84**	**-13.6%**

Charges for the Use of the Transmission and Distribution System

In 2Q22, charges for the use of the transmission and distribution system reached R$ 903 million, representing an increase of 14.6% (R$ 154 million), due to:

(iv) Variation of R$ 141 million in **sector charges (ESS/EER)**, mainly due to the ESS – System Service Usage Charges. The variation in this charge was due to the lower need to dispatch thermal power plants outside the merit order in 2Q22, compared to 2Q21, due to improvements in hydrological conditions. This effect was partially offset by the increase of the EER – Reserve Energy Charges, resulting from a lower PLD;

(i) Reduction of 3.3% (R$ 29 million) in **connection and transmission charges** (basic network, Itaipu transport, connection, and use of the distribution system), mainly due to the reduction in the annual adjustments of the transmission, caused by the reprofiling of basic network (RBSE) charges;

Partially offset by:

(v) Increase of 14.6% (R$ 16 million) in **PIS and Cofins** tax credit.

In 1H22, charges for the use of the transmission and distribution system reached R$ 2,273 million, representing an increase of 2.1% (R$ 47 million), due to:

(i) Variation of R$ 128 million in **sector charges (ESS/EER)**, mainly due to the increase of the EER – Reserve Energy Charges, resulting from a lower PLD in this period, partially offset by the reduction of the ESS – System Service Usage Charges, due to the lower need to activate thermal power plants;

Partially offset by:

(ii) Reduction of 4.3% (R$ 76 million) in **connection and transmission charges** (basic network, Itaipu transport, connection, and use of the distribution system) mainly due to the reduction in the annual adjustments of the transmission, caused by the reprofiling of basic network (RBSE) charges;

(ii) Increase of 2.1% (R$ 5 million) in **PIS and Cofins tax credit**.

PMSO

PMSO (R$ million)								
	2Q22	2Q21	Variation		1H22	1H21	Variação	
			R$ MM	%			R$ MM	%
Personnel	280	247	33	13.4%	534	482	53	10.9%
Material	74	50	23	46.2%	139	97	41	42.5%
Outsourced Services	241	220	20	9.1%	461	434	27	6.3%
Other Operating Costs/Expenses	234	217	17	7.7%	423	371	52	13.9%
Allowance for doubtful accounts	88	100	(12)	-11.7%	178	154	24	15.9%
Legal and judicial expenses	61	39	23	59.4%	93	58	35	59.5%
Assets write-off	36	36	(0)	-0.6%	62	73	(11)	-15.1%
Others	48	42	6	13.3%	90	86	3	4.0%
Total PMSO	**828**	**735**	**93**	**12.7%**	**1,557**	**1,384**	**173**	**12.5%**

In 2Q22 **PMSO** reached R$ 828 million, an increase of 12.7% (R$ 93 million), due to the following factors:

(i) Increase of 12.9% (R$ 68 million) in PMSO expenses linked to inflation:

a. In the Personnel, the 13.4% variation (R$ 33million) is explained not only by the salary adjustments in accordance with the collective labor agreement based on inflation, but also due to the increase in headcount (+5.0%);

b. In MSO, expenses related to fuel, such as fleet and transport, presented an increase of 42.0% (R$ 10 million), it is worth mentioning the increases in fuel prices in our concession area: diesel (+55%) and ethanol/gas (+21%).

Excluding the effects mentioned above, the PMSO linked to inflation would have increased by 9.2% (R$ 46 million), below the IPCA of 11.89% in the last 12 months;

(ii) Increase of 59.4% (R$ 23 million) in legal and judicial expenses, due to the higher volume of civil lawsuits in RGE and CPFL Paulista;

(iii) Increase of 43.6% (R$ 14 million) in expenses related to Capex efforts;

(iv) Increase of 12.3% (R$ 2 million) in collection actions;

Partially offset by:

(v) Reduction of 11.7% (R$ 12 million) in the allowance for doubtful accounts (ADA). Despite this positive result, the index ADA/Revenue from Sales to Final Consumers, the index is above the historical level of 0.7% to 0.8%, the delinquency continues to be pressured by the macroeconomic scenario.

In 1H22, **PMSO** reached R$ 1,557 million, an increase of 12.5% (R$ 173 million), due to the following factors:

(i) Increase of 10.1% (R$ 104 million) in PMSO expenses linked to inflation, reflection of the factors mentioned in the explanation above, in the variation of the quarter. Excluding the effects of the increase in headcount and fuel expenses, the PMSO linked to inflation would have increased by 6.4% (R$ 63 million);

(ii) Increase of 59.5% (R$ 35 million) in legal and judicial expenses, due to the higher volume of civil and labor lawsuits;

(iii) Increase of 15.9% (R$ 24 million) in the allowance for doubtful accounts (ADA);

(iv) Increase of 32.2% (R$ 20 million) in expenses with maintenance of lines, networks and substations, related to Capex efforts;

(v) Increase of 8.0% (R$ 3 million) in collection actions;

Partially offset by:

(vi) Reduction of 15.1% (R$ 11 million) in assets write-off.

Other operating costs and expenses

Other operating costs and expenses						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Costs of Building the Infrastructure	1,084	708	53.0%	1,997	1,293	54.5%
Private Pension Fund	58	56	3.9%	116	111	3.9%
Depreciation and Amortization	238	215	10.7%	472	423	11.6%
Total	**1,380**	**979**	**40.9%**	**2,585**	**1,827**	**41.5%**

EBITDA

EBITDA totaled R$ 1,848 million in 2Q22, an increase of 48.0% (R$ 599 million), mainly due to the tariff adjustments between 2Q21 and 2Q22, in addition of a higher concession's financial assets.

In 1H22, **EBITDA** totaled R$ 3,686 million, an increase of 46.8% (R$ 1,176 million), explained by the same reasons mentioned above.

Conciliation of Net Income and EBITDA (R$ million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Net income	**796**	**664**	**19.8%**	**1,635**	**1,261**	**29.7%**
Depreciation and Amortization	252	229	10.0%	500	451	10.9%
Financial Results	367	2	15540.6%	655	91	622.1%
Income Tax /Social Contributio	433	353	22.5%	896	708	26.6%
EBITDA	**1,848**	**1,249**	**48.0%**	**3,686**	**2,510**	**46.8%**

EBITDA by Distributor

EBITDA by Distributor						
Distribution	**2Q22**	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
CPFL Paulista	798	562	42.1%	1,484	1,054	40.9%
CPFL Piratininga	303	178	70.3%	651	448	45.2%
RGE	676	441	53.1%	1,411	916	54.1%
CPFL Santa Cruz	70	67	4.7%	140	92	51.2%
EBITDA	**1,848**	**1,249**	**48.0%**	**3,686**	**2,510**	**46.8%**

Note: The Income Statement by company can be consulted in the CPFL historical information base, available in the IR website. To access it, click here.

CPFL Paulista:

EBITDA totaled R$ 798 million in 2Q22, an increase of 42.1% (R$ 236 million), explained by the tariff adjustment favored by the IGP-M increase, which adjusted the parcel B by 15.65% in April 2022. In addition, the update of concession's financial assets, which contributed with R$ 89 million and other revenues with R$ 19 million. On the other hand, there was an increase of R$ 40 million in PMSO.

In 1H22, EBITDA totaled R$ 1,484 million, an increase of 40.9% (R$ 430 million). The positive result is explained by the tariff adjustment and the update of the concession's financial assets, which contributed with R$ 115 million.

CPFL Piratininga:

EBITDA totaled R$ 303 million in 2Q22, an increase of 70.3% (R$ 125 million), explained by the tariff adjustment favored by the IGP-M increase, which adjusted the parcel B by 24.79% in October 2021. In addition, other revenues contributed with R$ 13 million. On the other hand, there was an increase of R$ 14 million in PMSO.

In 1H22, EBITDA totaled R$ 651 million, an increase of 45.2% (R$ 202 million). The positive result is explained by the tariff adjustment and the update of the concession's financial assets, which contributed with R$ 34 million.

RGE:

EBITDA totaled R$ 676 million in 2Q22, an increase of 53.1% (R$ 234 million), explained by the tariff adjustment favored by the IGP-M, which adjusted the parcel B by 37.22% in June 2021. In addition, the update of concession's financial assets contributed with R$ 96 million. On the other hand, there was an increase of R$ 45 million in PMSO.

In 1H22, EBITDA totaled R$ 1,411 million, an increase of 54.1% (R$ 495 million). The positive result is explained by the tariff adjustment and the update of the concession's financial assets, which contributed with R$ 118 million.

CPFL Santa Cruz:

EBITDA totaled R$ 70 million in 2Q22, an increase of 4.7% (R$ 3 million), explained by the tariff adjustment of March 2022, which adjusted the parcel B by 10.60%.

In 1H22, EBITDA totaled R$ 140 million, an increase of 51.2% (R$ 47 million), as in 1Q21 the reversal of the gain recorded in 2019 related to the legal process to exclude ICMS from the tax base was recorded. PIS and Cofins, in the amount of R$ 34 million, reducing the basis of comparison. Excluding this effect, EBITDA would have increased by 10.3% (R$ 13 million).

Financial Result

Financial Result (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Revenues	483	237	103.8%	883	409	115.7%
Expenses	(851)	(240)	255.1%	(1,538)	(500)	207.5%
Financial Result	**(367)**	**(2)**	**15540.6%**	**(655)**	**(91)**	**6.22**

In 2Q22, the financial result recorded a **net financial expense** of R$ 367 million, an increase of R$ 365 million compared to 2Q21. The items that explain this variation are:

(i) Increase of 228.1% (R$ 430 million) in the **expenses with net debt**, resulting mainly from the increase in CDI and higher debt balance;

(ii) Decrease of 11.2% (R$ 18 million) in **late payment interest and fines,** due to the replacement of the IGP-M by the IPCA as the monetary adjustment index in invoices issued from 06/01/2021, as determined by Aneel;

Partially offset by:

(iii) Positive variation of R$ 95 million in **adjustment to the sectoral financial asset/liability**;

(iv) Positive variation of R$ 8 million in **other financial revenues and expenses**.

In 1H22, the financial result recorded a **net financial expense** of R$ 655 million, an increase of R$ 564 million compared to 1H21. The items that explain this variation are:

(i) Increase of 194.6% (R$ 718 million) in the **expenses with net debt**, resulting mainly from the increase in CDI and higher debt expenses;

(ii) Decrease of 14.3% (R$ 44 million) in **late payment interest and fines,** due to the replacement of the IGP-M by the IPCA;

(iii) Negative variation of R$ 42 million in **other financial revenues and expenses**;

(iv) Negative variation of R$ 5 million in the **mark-to-market** (non-cash effect);

Partially offset by:

(v) Positive variation of R$ 245 million in **adjustment to the sectoral financial asset/liability**.

Net Income

Net Income totaled R$ 796 million in 2Q22, an increase of 19.8% (R$ 132 million). In 1H22, the **Net Income** totaled R$ 1,635 million, an increase of 29.7% (R$ 374 million). These results were due to the increase of the EBITDA, partially offset by the worsening in the financial result, due to higher expenses with net debt.

6.1.2) Tariff Events

Reference dates

Tariff Revision					
Distributor	Periodicity	Next Revision	Cycle	Tariff Process Dates	Expiration of Concessions
CPFL Piratininga	Every 4 years	October 2023	6th PTRC	October 23rd	October 23, 2028
CPFL Santa Cruz	Every 5 years	March 2026	6th PTRC	March 22nd	July 07, 2045
CPFL Paulista	Every 5 years	April 2023	5th PTRC	April 8th	November 20, 2027
RGE	Every 5 years	June 2023	5th PTRC	June 19th	November 06, 2027

Annual tariff adjustments and Extraordinary Tariff Reviews in 2021 and 2022

Annual Tariff Adjustments (ATAs)

Annual Tariff Adjustments (ATAs)	CPFL Santa Cruz	CPFL Paulista	RGE	CPFL Piratininga
Ratifying Resolution	3,017	3,018	3,045	2,966
Adjustment	**7.82%**	**12.77%**	**8.72%**	**14.78%**
Parcel A	5.44%	7.27%	4.07%	2.11%
Parcel B	2.69%	4.27%	3.53%	6.05%
Financial Components	-0.31%	1.23%	1.12%	6.62%
Effect on consumer billings	**8.83%**	**14.97%**	**10.98%**	**12.40%**
Date of entry into force	03/22/2022	04/08/2022	06/22/2022	10/23/2021

Extraordinary Tariff Reviews (ETRs)

Extraordinary Tariff Reviews (ETRs)	CPFL Santa Cruz	CPFL Paulista
Ratifying Resolution	3,059	3,058
Financial Components	-2.32%	-2.44%
Effect on consumer billings	**6.51%**	**12.53%**
Date of entry into force	07/12/2022	07/12/2022

Note (1): the effect on consumer billing is also impacted by the financial components removed in the last tariff revision or adjustment.

6.2) Commercialization and Services Segments

Economic-Financial Performance

Consolidated Income Statement - Commercialization Segment (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	651	657	-0.9%	1,256	1,333	-5.8%
Net Operating Revenue	**549**	**621**	**-11.7%**	**1,082**	**1,214**	**-10.8%**
Cost of Electric Power	(539)	(573)	-6.0%	(1,113)	(1,138)	-2.2%
Operating Costs & Expenses	(16)	(15)	6.8%	(29)	(26)	11.0%
EBIT	(6)	33	-	(60)	50	-
EBITDA[1]	**(5)**	**34**	**-**	**(58)**	**52**	**-**
Financial Income (Expense)	(55)	47	-	(103)	63	-
Income Before Taxes	(61)	81	-	(163)	113	-
Net Income	**(60)**	**52**	**-**	**(146)**	**74**	**-**

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

Extraordinary item: in 2Q21, R$ 45 million were recognized in deductions from Gross Revenue and R$ 40 million as monetary update in the financial result, related to the lawsuit filed by CPFL Brasil to exclude ICMS from the PIS/Cofins calculation base, in line with the understanding of the external audit.

Consolidated Income Statement - Services Segment (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	288	225	28.0%	541	442	22.6%
Net Operating Revenue	**265**	**205**	**29.1%**	**498**	**404**	**23.3%**
Operating Costs & Expenses	(219)	(164)	33.6%	(405)	(325)	24.5%
EBIT	46	41	11.4%	94	79	18.8%
EBITDA[1]	**55**	**50**	**11.6%**	**112**	**95**	**18.4%**
Financial Income (Expense)	1	1	116.7%	1	1	79.5%
Income Before Taxes	47	42	12.8%	95	80	19.3%
Net Income	**36**	**31**	**14.5%**	**71**	**60**	**19.6%**

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

6.3) Generation Segment

Since 4Q21, the result of the Generation segment no longer considers the group's transmission companies, which were all consolidated in the Transmission segment (Chapter 6.4)

Consolidated Income Statement - Generation Segment (R$ Million)						
	2Q22	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
Gross Operating Revenue	956	936	2.1%	1,839	1,750	5.1%
Net Operating Revenue	**885**	**869**	**1.8%**	**1,700**	**1,623**	**4.8%**
Cost of Electric Power	(114)	(121)	-5.4%	(254)	(223)	14.0%
Operating Costs & Expenses	(325)	(303)	7.3%	(624)	(584)	6.9%
EBIT	446	446	0.1%	822	816	0.7%
Equity income	126	91	38.5%	241	182	32.6%
EBITDA [1]	**757**	**714**	**6.0%**	**1,430**	**1,351**	**5.8%**
Financial Income (Expense)	(147)	(57)	156.9%	(284)	(109)	161.6%
Income Before Taxes	426	480	-11.3%	778	888	-12.4%
Net Income	**365**	**388**	**-5.8%**	**659**	**726**	**-9.2%**

Notes:
(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.
(2) The complete Income Statement can be consulted in the CPFL historical information base, available in the IR website, to access it, click here.

Operating Revenue

In 2Q22, the **Gross Operating Revenue** reached R$ 956 million, an increase of 2.1% (R$ 20 million). The **Net Operating Revenue** was of R$ 885 million, registering an increase of 1.8% (R$ 16 million).

The main factors that affected the net operating revenue were:

- Increase of 2.9% (R$ 27 million) in the **Electric Energy Supply**;

Partially offset by:

- Increase of 6.0% (R$ 4 million) in **Deductions from Operating Revenue,** mainly due to taxes (PIS/COFINS);
- Decrease of R$ 4 million in **Other Revenues**;
- Decrease of R$ 3 million in **Energy Sales to Final Consumers**.

In 1H22, the **Gross Operating Revenue** reached R$ 1,839 million, an increase of 5.1% (R$ 89 million). The **Net Operating Revenue** was of R$ 1,700 million, registering an increase of 4.8% (R$ 77 million).

The main factors that affected the net operating revenue were:

- Increase of 5.2% (R$ 90 million) in the **Electric Energy Supply**;
- Increase of R$ 4 million in **Other Revenues**;

Partially offset by:

- Increase of 8.7% (R$ 11 million) in **Deductions from Operating Revenue**, mainly due to taxes (PIS/COFINS);
- Decrease of 81.9% (R$ 6 million) in **Energy Sales to Final Consumers**.

Cost of Electric Power

Cost of Electric Energy - R$ Million	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy Purchased in the Spot Market	15	49	-69.8%	31	80	-61.9%
Energy Purchased Bilateral Contracts and ACL	63	35	81.7%	152	77	97.0%
PIS and COFINS Tax Credit	(5)	(3)	49.2%	(12)	(7)	81.2%
Cost of Electric Power Purchased for Resale	**74**	**81**	**-9.1%**	**171**	**151**	**13.2%**
Basic Network Charges	29	25	14.3%	61	54	13.7%
Connection Charges	3	3	5.0%	6	6	6.9%
Charges for the Use of the Distribution System	10	8	15.1%	19	15	25.5%
ESS/EER	0	4	-98.3%	0	0	85.6%
PIS and COFINS Tax Credit	(1)	(1)	5.7%	(3)	(3)	12.2%
Distribution System Usage Charges	**40**	**40**	**2.2%**	**83**	**72**	**15.7%**
Cost of Electric Energy	**114**	**121**	**-5.4%**	**254**	**223**	**14.0%**

In 2Q22, the Cost of Electric Energy was of R$ 114 million, representing a decrease of 5.4% (R$ 7 million) compared to 2Q21, due to:

- Decrease of 69.8% (R$ 34 million) in the **cost with short-term energy**, due to the decrease in the average purchase price (-75.5%);
- Increase of 49.2% (R$ 2 million) in **PIS and COFINS Tax Credit**;

These effects were partially offset by:

- Increase of 81.7% (R$ 28 million) in **the cost with energy purchased in the regulated market, free market and through bilateral contracts**, due to the increase in the volume (+12.3%) and average purchase price (+61.8%);
- Increase of 2.2% (R$ 1 million) in in **Distribution System Usage Charges**.

In 1H22, the Cost of Electric Energy was of R$ 254 million, representing an increase of 14.0% (R$ 31 million) compared to 1H21, due to:

- Increase of 97.0% (R$ 75 million) in **the cost with energy purchased in the regulated market, free market and through bilateral contracts**, due to the increase in the volume (+65.5%) and average purchase price (+19.0%);
- Increase of 15.7% (R$ 11 million) in in **Distribution System Usage Charges**;

These effects were partially offset by:

- Decrease of 61.9% (R$ 50 million) in the **cost with short-term energy**, due to the decrease in the average purchase price (-67.9%);
- Increase of 81.2% (R$ 5 million) in **PIS and COFINS Tax Credit**.

Volume of purchased energy (GWh)	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy Purchased in the Spot Market	612	497	23.1%	939	789	18.9%
Energy Purchased Bilateral Contracts and ACL	671	598	12.3%	2,080	1,257	65.5%
Total	**1,283**	**1,095**	**17.2%**	**3,018**	**2,046**	**47.5%**

Average price (R$/MWh)	2Q22	2Q21	Var.	1H22	1H21	Var.
Energy Purchased in the Spot Market	24.30	99.04	-75.5%	32.56	101.51	-67.9%
Energy Purchased Bilateral Contracts and ACL	94.39	58.34	61.8%	73.19	61.48	19.0%
Total	**60.97**	**76.81**	**-20.6%**	**60.55**	**76.93**	**-21.3%**

PMSO

PMSO (R$ million)								
	2Q22	2Q21	Variation		1H22	1H21	Variation	
			R$ MM	%			R$ MM	%
Personnel	39	33	6	19.5%	79	65	14	22.1%
Material	11	7	3	44.9%	19	11	9	81.0%
Outsourced Services	56	60	(4)	-7.0%	104	105	(1)	-0.9%
Other Operating Costs/Expenses	34	25	9	38.5%	53	48	5	10.5%
Asset Write-off	0	1	(1)	-81.4%	(0)	2	(2)	-
GSF Risk Premium	6	6	1	10.1%	12	11	1	10.4%
Legal and judicial expenses	1	1	0	22.7%	1	2	(1)	-38.8%
Others	27	17	9	54.3%	39	33	7	20.4%
Total PMSO	**139**	**124**	**15**	**12.0%**	**255**	**228**	**27**	**11.8%**

In 2Q22, PMSO reached R$ 139 million, an increase of 12.0% (R$ 15 million) compared to 2Q21. The increase is mainly due to

(i) an increase of 38.5% (R$ 9 million) in **other operating costs/expenses,** mainly leases and rentals (R$ 4 million) and insurance (R$ 1 million), among others;

(ii) increase of 19.5% (R$ 6 million) in **Personnel** expenses, driven by salary adjustments in accordance with the collective labor agreement based on inflation and also due to the increase in headcount (+7.6%).

Partially offset by:

(iii) Decrease of 1.3% (R$ 1 million) in **Material and Outsourced Services**.

In 1H22, PMSO reached R$ 255 million, an increase of 11.8% (R$ 27 million), explained by the increase of 12.1% (R$ 22 million) in **Personnel, Material and Outsourced Services,** driven by the collective bargaining agreement, the greater number of employees and the intensification of asset maintenance activities. **Other operating costs/expenses** had an increase of 10.5% (R$ 5 million) mainly due to leases and rentals.

Both in the quarter and in the year, PMSO expenses are in line with the IPCA variation in the last 12 months (11.89%).

Other operating costs and expenses

Other operating costs and expenses						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Private Pension Fund	1	1	-26.1%	2	2	3.4%
Depreciation and amortization	142	135	5.4%	283	270	5.0%
Amortization of Concession Intangible	42	42	0.4%	84	84	-0.4%
Total	**185**	**178**	**4.0%**	**369**	**356**	**3.7%**

Equity Income

Equity Income (R$ Million)						
	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Projects						
Barra Grande HPP	(2)	(3)	-36.0%	(1)	(5)	-76.2%
Campos Novos HPP	56	42	35.0%	108	86	25.5%
Foz do Chapecó HPP	50	38	31.1%	91	72	27.4%
Epasa TPP	22	14	54.2%	43	29	45.9%
Total	**126**	**91**	**38.5%**	**241**	**182**	**32.6%**

Notes:

(1) Disclosure of interest in subsidiaries is made in accordance with IFRS 12 and CPC 45.
(2) The complete Income Statement of the projects can be consulted in the CPFL historical information base, available in the IR website, to access it, click here.

Below are the main variations of each project:

Barra Grande:

Equity Income (R$ Million)						
BARRA GRANDE	**2Q22**	**2Q21**	**Var. %**	**1H22**	**1H21**	**Var.%**
Net Revenue	21	21	-1.3%	42	37	13.5%
Operating Costs / Expenses	(12)	(16)	-22.1%	(24)	(24)	-3.4%
Deprec. / Amortization	(4)	(3)	11.4%	(7)	(6)	12.8%
Net Financial Result	(8)	(8)	-0.8%	(13)	(15)	-17.0%
Income Tax	1	2	-63.1%	1	4	-82.2%
Net Income	**(2)**	**(3)**	**-36.0%**	**(1)**	**(5)**	**-76.2%**

In 2Q22, the net revenue remained practically stable in the period, while the operating costs and expenses decreased 22.1% (R$ 3 million), mainly due to energy volume and price reduction. The net financial expense remained practically stable in the period, due to the income from financial investments, due to the higher cash balance and the increase in CDI, offset by the expenses with UBP, indexed by IGP-M.

In 1H22, the net revenue increased 13.5% (R$ 5 million), while the operating costs and expenses remained stable in the period. The net financial expense presented a decrease of 17.0% (R$ 3 million), due to the income from financial investments, due to the higher cash balance and the increase in CDI.

Campos Novos:

Equity Income (R$ Million)						
CAMPOS NOVOS	**2Q22**	**2Q21**	**Var. %**	**1H22**	**1H21**	**Var.%**
Net Revenue	121	98	23.2%	236	192	22.8%
Operating Costs / Expenses	(28)	(28)	-0.9%	(55)	(47)	17.7%
Deprec. / Amortization	(7)	(6)	11.4%	(14)	(12)	11.4%
Net Financial Result	(0)	(2)	-88.0%	(3)	(4)	-21.0%
Income Tax	(29)	(21)	39.4%	(56)	(44)	27.4%
Net Income	**56**	**42**	**35.0%**	**108**	**86**	**25.5%**

In 2Q22, the net revenue increased 23.2% (R$ 23 million), mainly due to the contracts readjustments, by IGP-M and dollar, which occur mainly in April and October. The operating costs and expenses remained stable in the period. The net financial expense decreased R$ 1 million.

In 1H22, the net revenue increased 22.8% (R$ 44 million), mainly due to the contracts readjustments, while operating costs and expenses increased 17.7% (R$ 8 million). The net financial expense decreased 21.0% (R$ 1 million), due to the higher cash balance and the increase in CDI.

Foz do Chapecó:

Equity Income (R$ Million)						
FOZ DO CHAPECO	**2Q22**	**2Q21**	**Var. %**	**1H22**	**1H21**	**Var.%**
Net Revenue	146	133	9.7%	289	255	13.5%
Operating Costs / Expenses	(25)	(25)	-0.5%	(64)	(54)	18.0%
Deprec. / Amortization	(14)	(15)	-9.6%	(28)	(27)	3.4%
Net Financial Result	(29)	(35)	-15.4%	(57)	(65)	-13.0%
Income Tax	(26)	(20)	32.6%	(47)	(37)	27.7%
Net Income	**50**	**38**	**31.1%**	**91**	**72**	**27.4%**

In 2Q22, net revenue increased 9.7% (R$ 13 million), mainly due to increase in the amount of energy supplied. The operating costs and expenses remained stable in the period. In the net financial expense, there was a decrease of 15.4% (R$ 5 million), mainly due to income from financial investments, due to the higher cash balance and the increase in the CDI, partially offset by the increase in debt expenses.

In 1H22, net revenue increased 13.5% (R$ 34 million), mainly due to the contracts readjustments, mostly by IGP-M, and an increase in the amount of energy supplied. The operating costs and expenses increased 18.0% (R$ 10 million). In the net financial expense, there was a decrease of 13.0% (R$ 8 million), mainly due to income from financial investments, due to the higher cash balance and the increase in the CDI, partially offset by the increase in debt expenses.

Epasa:

Equity Income (R$ Million)						
EPASA	**2Q22**	**2Q21**	**Var. %**	**1H22**	**1H21**	**Var.%**
Net Revenue	40	113	-64.5%	79	207	-62.0%
Operating Costs / Expenses	(7)	(82)	-90.9%	(13)	(145)	-91.2%
Deprec. / Amortization	(12)	(12)	0.1%	(24)	(24)	0.0%
Net Financial Result	4	0	-	7	(1)	-
Income Tax	(3)	(4)	-20.2%	(7)	(8)	-10.7%
Net Income	**22**	**14**	**54.2%**	**43**	**29**	**45.9%**

In 2Q22, net revenue decreased R$ 73 million and the operating costs and expenses were down by R$ 75 million, due to lower volumes of generation. There was a net financial income of R$ 4 million, due to the higher cash balance and higher CDI.

In 1H22, net revenue decreased R$ 128 million and the operating costs and expenses were down by R$ 133 million, due to lower volumes of generation. There was a net financial income of R$ 7 million, compared to a net expense of R$ 1 million in 1H21, due to the higher cash balance and higher CDI, in addition to lower debt expenses.

EBITDA

In 2Q22, **EBITDA** was of R$ 757 million, an increase of 6.0% (R$ 43 million), mainly due to contractual readjustments, partially offset by worse performance of wind generation.

In 1H22, **EBITDA** was of R$ 1,390 million, an increase of 5.8% (R$ 78 million). This variation is mainly explained by the same factors that impacted the quarter.

EBITDA and Net Income conciliation (R$ million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Net Income	**365**	**388**	**-5.8%**	**659**	**726**	**-9.2%**
Depreciation and Amortization	184	177	4.2%	367	354	3.7%
Financial Result	147	57	156.9%	284	109	161.6%
Income Tax / Social Contribution	60	92	-34.4%	118	162	-26.9%
EBITDA	**757**	**714**	**6.0%**	**1,430**	**1,351**	**5.8%**

Financial Result

In 2Q22, the financial result was a **net financial expense** of R$ 147 million, an increase of 156.9% (R$ 90 million), mainly due to higher expenses with net debt (R$ 93 million).

In 1H22, the financial result was a **net financial expense** of R$ 284 million, an increase of 161.6% (R$ 176 million), mainly due to higher expenses with net debt (R$ 165 million).

Income Tax and Social Contribution

In 2Q22, the income tax and social contribution item registered a negative result of R$ 60 million, a decrease of 34.4% (R$ 32 million), an effective rate of 14.2%, compared to 19.2% in 2Q21. This is mainly due to the better performance of equity income projects.

In 1H22, the income tax and social contribution item registered a negative result of R$ 118 million, a decrease of 36.9% (R$ 44 million), an effective rate of 16.0%, compared to 18.9% in 1H21, for the same reason explained above.

Net Income

In 2Q22, **net income** was R$ 365 million, a decrease of 5.8% (R$ 23 million), mainly reflecting the loss in the financial result, due to higher expenses with net debt.

In 1H22, **net income** was R$ 620 million, a decrease of 9.2% (R$ 67 million), also due to the increase in the CDI.

6.4) Transmission Segment

Economic-Financial Performance - IFRS (CPFL Transmissão + 5 projects)

Consolidated Income Statement - Transmission Segment (R$ Million)						
	2Q22	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
Gross Operating Revenue	567	52	992.3%	1,029	104	885.6%
Net Operating Revenue	**496**	**48**	**944.1%**	**891**	**96**	**833.1%**
Operating Costs & Expenses	(307)	(34)	812.3%	(578)	(69)	734.5%
EBIT	189	14	1262.9%	314	26	1092.4%
EBITDA[1]	**202**	**14**	**1351.3%**	**340**	**26**	**1193.1%**
Financial Income (Expense)	(103)	(0)	40074.3%	6	0	44191.0%
Income Before Taxes	87	14	540.7%	321	26	1121.6%
Net Income	**136**	**11**	**1094.6%**	**284**	**22**	**1184.2%**

Note:
(1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.
(2) The complete Income Statement can be consulted on CPFL Energia's Historical Information Base, available on the IR website. To access it, click here.
(3) Since 1Q22, the Transmission segment began to include CPFL Cone Sul, holding company of CPFL Transmissão.

6.4.1) CPFL Transmissão

6.4.1.1) Regulatory Themes

Periodic Tariff Revision ("RTP")

The Concession Contract for Electric Power Transmission No. 055/2001-ANEEL, firmed between The Federal Government and the State Electric Power Transmission Company (CEEE-T), was extended under the Law No. 12,783/2013 that defines, in its eighth clause, the review standards that suffice to maintain the economic and financial balance of the concession.

The contract settled that the transmitter received for the provision of service, the Annual Revenue Requirement ("ARR") annually adjusted and revised every five (5) years, since July 1, 2013, according to regulations. Thus, the first Periodic Tariff Revision ("PTR") was scheduled for the 1st of July 2018.

However, the methodology to be applied in this PTR culminated in a long process initiated in August 2017, that went through 3 stages of Public Hearing No. 041/2017, being finalized only in 2020, through the publication of version 4.0 of Submodule 9.1, Tariff Regulation Procedures (PRORET), which was approved by Normative Resolution (REN) No. 880, 7 April 2020.

In this sense, on June 30, 2020, Ratifying Resolution (REH) No. 2,709 was published, which approved the provisional result of the PTR of the ARR of Concession Contract No. 055/2001-ANEEL, effective July 1, 2018. The result was temporary since the Regulatory Remuneration Base ("RRB") was in a preliminary position, without the consolidation of the audit conducted by the Superintendence of Economic and Financial Supervision (SFF). Thusly, the definitive values were determined to be processed after the conclusion of RRB inspection activities and that the necessary adjustments and consequent financial effects would be considered in subsequent tariff adjustment, occurred with the REH No. 2,725/2020. The index of ARR provisional repositioning revised (assets that went into operation until January 31, 2018) in 2020 was **7.17%**.

Due to the filing of Administrative Appeal against REH No. 2,709/2020, the ANEEL Board of Directors published, on April 22, 2021, REH No. 2,845, changing the provisional result approved in 2020. With the adjustments conducted, the index of provisional repositioning in 2021 increased to **7.53%**.

Subsequently, with the conclusion of RRB audit process, as well as the examination of the appeal approved by REH No. 2,845/2021, on October 13, 2021, ANEEL ratified the definitive result of the 2018 PTR of RAP, jointly with Concession Contract No. 055/2001, under the responsibility of the Companhia Estadual de Transmissão de Energia Elétrica - CEEE-T, through the publication of REH No. 2,960/2021, which presented the definitive repositioning index of **3.11%**.

However, a need to make new adjustments to the calculation sheets of the referred REH was identified, through the formalization of an administrative appeal. The financial effects (adjustments in the amounts received to the detriment to the provisional result) resulting from this modification should be enforced in the adjustment of the ARR of the 2022-2023 cycle, to start effectively from July 1, 2022 to June 30, 2023, pursuant to Submodule 9.3 of the PRORET.

Ordinance MME 120/2016 – RBSE

In order to regulate and operationalize the provisions of Law No. 12,783/2013, regarding the payment of assets considered non-depreciated existing on May 31, 2000 ("RBSE"), the Ministry of Mines and Energy ("MME") issued Ordinance No. 120, on April 20, 2016. According to the aforesaid Ordinance, ANEEL issued REN No. 762 of February 21, 2017, defining, in its article 2, that the capital cost of electric power transmission concessionaires would be composed of portions of remuneration and regulatory reintegration quota.

However, in April 2017, some users of the transmission system ended up opposing in court against the payment of the share of equity remuneration ("ke") owing to the transmitters, aiming to suspend the effects on their tariffs, obtaining favorable injunctions.

Since July 2017, the Company received remuneration for RBSE transmission assets existing in May 31, 2000, referring to Concession Contract no. 055/2001, through its ARR. The payment of the parameter ("ke") was not made until the reversal of the suspensive judicial decisions, which occurred at the end of 2019. Therefore, in the tariff process following the recognition of this right (in July 2020), ANEEL included the payment of these suspended amounts ("ke") to the transmitters in the PTR processes of its ARRs.

In the readjustment REH of the 2021/2022 cycle, ANEEL proceeded with the recalculation of the debt balance, constituted by the cost of capital remunerated at the equity cost rate ("ke") until the date of the beginning of the effective payment (July 1st of 2020). Concomitant with the 2021/2022 cycle, ANEEL implemented the “reprofiling” of the payment of the Basic Network Existing System “RBSE” Financial Component within 8 years (cycles from 2020/2021 to 2027/2028), ensuring the net present value of the operation. And keeping the RBSE Economic and O&M Components unchanged.

In May 2021, requests for reconsideration were submitted, alleging material errors, to the detriment of the ANEEL Homologatory Resolution, cycle 2021/2022, which dealt with the “reprofiling”. In June 2022, ANEEL's Technical Superintendence proposed a Technical Note about the request for reconsideration. Since then, CPFL and the other affected Transmitters have worked together, via ABRATE, demonstrating that the methodological choice adopted by the Agency is valid. The matter still depends on the deliberation of the Collegiate Board of ANEEL.

Annual Tariff Adjustment ("ATA")

ARR is the remuneration that the transmission companies receive for the provision of the electric power transmission service from the entry into commercial operation of the facilities, as laid down in the concession contract.

The ARR is divided into Basic Network of New Installations ("RBNI"), Basic Network Existing System ("RBSE"), Tendered Basic Network ("RBL") and Connection Revenue to Transmission System ("CCT"). RBNI refers to the New Transmission Facilities, which entered into operation as in January 2013. RBSE concerns undepreciated assets from May 2000 to the end of December 2012, defined in the Annex to Resolution No. 166 of May 31, 2000, validated by Law No. 12,783/13. These two sets of assets generate the largest portion of ARR. RBL is the revenue from the tendered contracts. The Transmission System Connection Revenue is the remuneration that the transmitter receives from users connected to other Transmission Facilities ("DITs") for the provision of the transmission service. DITs are composed, for example, of transmission lines, power buses, power transformers and substation equipment, not part of the Basic Network. Revenue growth is the result of the variation of the IPCA and the entry into operation of reinforcement and improvement projects.

According to REH No. 3,067/2022, for the 2022/2023 cycle, revenue (ARR) added to the adjustment portion (PA) of Concession Contract No. 055/2001 totals R$ 917.2 million, net of PIS and COFINS, composed of:

(i) Monetary adjustment of the 2021/2022 cycle (IPCA), totaling R$ 91.9 million;

(ii) Re-profiling the financial component of PRT MME 120/2016, for 8 years counting from the 2020/2021 cycle, that resulted in a positive impact of R$ 50.2 million;

(iii) Adjustment Portion (AP) considering the effects of the retroactivity of the Final Revision in 2018 (portion 3 of 3), in the amount of R$ 70.5 million, negatively impacted by the return of revenue received in advance and other adjustments of the 2021/2022 cycle, in the amount of R$87.6 million, which totals a negative AP of R$ 16.4 million;

(iv) Expansion of facilities, entry into operation of new reinforcements and improvements during the 2021/2022 cycle increased R$ 7.7 million.

Annual Tariff Adjustment 2022/2023							
REH 2959/2021 (*)	IPCA	Expansions, reinforcements and improvements	Deactivations / Transfers	Adjustment RBSE	Adjustment Portion	PTR Repositioning	REH 3067/2022
763,074	91,911	7,692	(4,704)	50,218	(16,359)	25,283	917,117

(*) Approved values not considering the Adjustment Portion - PA;

Concession Agreement No. 080/2002 was adjusted by IGP-M, with an increase of 10.7%, totaling R$ 22 million. The Adjustment Portion was negative in the amount of R$ 0.7 million, referring to the return of revenue received beforehand.

Annual Tariff Adjustment 2022/2023							
REH 2959/2021 (*)	IGP-M	Expansions, reinforcements and improvements	Deactivations / Transfers	Adjustment RBSE	Adjustment Portion	PTR Repositioning	REH 3067/ 2022
20,265	2,173	-	-	-	(705)	-	21,733

The revenue of the subsidiary TESB - Concession Contract No. 001/2011 added to the Adjustment Portion for the 2022/2023 cycle totals R$ 24.1 million:

(i) Revenue repositioning after the Tariff Review in R$ 5.8 million, related to the assets of the 2021/2022 cycle;

(ii) Negative adjustment portion in the order of R$ 3.9 million, due to the refund of anticipated revenue received and the discounts provided in REN No. 905/2020 for installations classified as RBF or DITC that entered into commercial operation with non-impediment own pending.

Annual Tariff Adjustment 2022/2023			
REH 2959/2021 (*)	Adjustment Portion	PTR Repositioning	REH 3067/2022
22,073	(3.915)	5,851	24,009

The Regulatory Revenue totals the Company for Concession Contracts No. 055/2001, 080/2002 and the subsidiary TESB 001/2011, net of PIS and COFINS, presents a composition as follows:

Regulatory Revenue 2022/2023								
Concession Contract	RBSE	RBNI	RBL	Adjustment Portion	RPC	RCDM	RMEL	Total 2022 (*)
055/2001	579,904	139,646	-	(16,359)	133,692	71,972	8,383	917,240
080/2002	-	-	22,437	(704)	-	-		21,733
001/2011	-	-	25.214	(3,915)	-	-		21,299
	579,905	**139,647**	**47,652**	**(20,979)**	**133,693**	**71,972**	**8,383**	**960,273**

Note: (*) Figures considering Adjustment Parcel - PA

Fourth Term Additive to Concession Contract No. 055/2001-ANEEL - Suppression of SE Porto Alegre 4

Due to the conclusion of the Concession Contract for Electric Power Transmission No. 3/2021 between ANEEL and MEZ 5 Energia, that occurred on 03/31/2021 (lot 5 of Auction No. 1/2020-ANEEL), was signed the Fourth Additive Term of Concession Contract No. 55/2001-ANEEL. This additive term aims at the economic and financial rebalancing due to the unilateral reduction of the contract due to the removal of SS 230/13.8 kV Porto Alegre 4, which resulted in a reduction in revenue in the order of R$ 13,114,858.05.

Concession Contract No. 4/2021-ANEEL

On March 31, 2021, Concession Contract no. 4/2021-ANEEL was concluded, which regulates the concession of the public service for the transmission of electricity for the construction, operation and maintenance of transmission facilities in SE 230/138 kV Cachoeirinha 3, referring to Lot 6 of the Auction Notice No. 01/2020-ANEEL. The Company will receive for the provision of the public transmission service, ARR in the amount of R$ 11,106,511.48 adjusted, from the entry into operation of the assets, scheduled for 2024.

6.4.1.2) Regulatory Results

Disclaimer:

This chapter contains the regulatory results (Regulatory Financial Statements prepared for Aneel, the electricity sector regulatory agency) and analyzes the performance of CPFL Transmissão regardless of its date of acquisition by the CPFL Energia group. **This content, therefore, is merely for the purpose of analyzing the regulatory/management performance, following the market practices for transmission businesses and is not an official report from the Company to the Securities and Exchange Commission of Brazil (CVM), which strictly and rigidly follows the IFRS international accounting standards.**

CPFL Transmissão was acquired and its balances were incorporated into the consolidated balance sheet of CPFL Energia as of 10/01/2021. The following comparisons are merely illustrative for the purposes of analyzing its performance in 2Q22 vs. 2Q21 and 1H22 vs. 1H21. The values have not been audited and are still subject to change.

Regulatory Income Statement - CPFL Transmissão (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Gross Operating Revenue	290	322	-10.0%	577	653	-11.6%
Net Operating Revenue	**226**	**257**	**-12.0%**	**451**	**521**	**-13.5%**
Operating Costs & Expenses	(128)	(34)	275.8%	(296)	(177)	67.4%
Equity Income	1	21	-95.4%	1	34	-97.2%
EBITDA	**125**	**273**	**-54.4%**	**210**	**438**	**-52.0%**
Financial Result	(71)	87	-	39	10	296.6%
Earnings Before Taxes	**27**	**308**	**-91.2%**	**195**	**361**	**-46.0%**
Net Earnings	**105**	**159**	**-33.9%**	**208**	**169**	**23.2%**

Operating Income

Operating Revenue - CPFL Transmissão (R$ Million)						
Revenue from Use of the Electricity Grid	**2Q22**	**2Q21**	**Var.**	**1H22**	**1H21**	**Var.**
Concession Contract 055/2001	281	314	-10.5%	558	637	-12.4%
Concession Contract 080/2002	5	4	34.1%	10	7	33.6%
Concession Contract 004/2021	-	-	-	-	-	-
TESB	5	4	9.8%	9	9	-5.1%
Regulatory Charges	**(38)**	**(37)**	**3.4%**	**(74)**	**(73)**	**-1.4%**
Gross Revenue	**290**	**322**	**-9.8%**	**577**	**653**	**-11.6%**
Deductions from Revenue	**(64)**	**(66)**	**-2.3%**	**(126)**	**(132)**	**-4.4%**
Net Revenue	**226**	**257**	**-12.1%**	**451**	**521**	**-13.5%**

In 2Q22, gross operating revenue reached R$ 290 million, down 9.8% (R$ 32 million), mainly by to reprofiling of the financial component of RBSE (R$ 33 million). Regulatory charges that are part of billed revenue, together with tariff subsidies, remained stable in the quarter.

Deductions from revenue reached R$ 64 million in 2Q22, down 2.3% (R$ 2 million) from 2Q21, justified by the reduction of PIS/COFINS taxes, resulting from the reduction in operating revenue. Deductions from gross revenue refer to taxes (PIS/COFINS) and regulatory charges (CDE, PROINFA, R&D and Inspection Fee), which are passed on to tariffs.

In 1H22, gross operating revenue reached R$ 577 million, down 11.6% (R$ 76 million), mainly by to reprofiling of the financial component of RBSE. Still, in 1H22 there is an increase in the Revenue of Concession Agreement No. 080/2002 of the 33.6% (R$ 3 million), due to Tariff Adjustment of the last cycle (IGP-M). Regulatory charges that are part of billed revenue, together with tariff subsidies, remained stable in the semester.

Deductions from revenue reached R$ 126 million in 1H22, down 4.4% (R$ 6 million) from 1H21, justified by the reduction of PIS/COFINS taxes, resulting from the reduction in operating revenue.

O&M Costs and Expenses – PMSO and Depreciation/Amortization

PMSO and Depreciation/Amortization						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Personnel	(66)	(76)	-12.5%	(174)	(167)	4.0%
Material	(1)	(1)	0.0%	(2)	(2)	0.0%
Outsourced Services	(16)	(17)	-3.5%	(31)	(38)	-19.4%
Others	(18)	90	-	(34)	90	-
PMSO	**(102)**	**(4)**	**2556.9%**	**(241)**	**(117)**	**106.5%**
Depreciation and Amortization	(26)	(30)	-13.1%	(55)	(60)	-8.3%
TOTAL	**(128)**	**(34)**	**275.8%**	**(296)**	**(177)**	**67.4%**

PMSO expenses totaled R$ 102 million in 2Q22, increasing 2556.9% (R$ 98 million) from 2Q21, due to the following factors:

(i) accounting for the gain on disposal of assets in 2Q21 (R$ 102 million) – extraordinary effect;

Partially offset by the:

(ii) reduction in Personnel, caused by the implementation of the Retirement Incentive Program (PIA) (R$ 10 million).

In 2Q22, Depreciation and Amortization totaled R$ 26 million, a decrease of 13.1% (R$ 4 million) compared to 2Q21.

In 1H22, PMSO expenses totaled R$ 241 million, increasing 106.5% (R$ 124 million), chiefly due to:

(i) accounting for the gain on disposal of assets in 2Q21 (R$ 102 million) – extraordinary effect;

(ii) impact of the regularization of the collective labor agreement and extraordinary expenses with reduction of headcount (R$ 70 million);

Partially offset by the:

(iii) costs of sharing infrastructure and human resources related to the period from 2013 to 2020, accounted in 1H21, as per the Debt Acknowledgment and Agreement signed with CEEE-D, being R$ 28 million in Personnel and R$ 10 million in Services – extraordinary item;

(iv) impact on current personnel expenses, headcount reduction effect (R$ 11 million).

In 1H22, Depreciation and Amortization totaled R$ 55 million, a decrease of 8.3% (R$ 5 million) from 1H21.

Equity Income

Equity Income (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var. %
Projects						
FOTE	-	12	-100.0%	-	17	-100.0%
TSLE	-	7	-100.0%	-	16	-100.0%
TPAE	-	-	-	-	-	-
ETAU	1	1	0.0%	1	1	0.0%
Total	**1**	**21**	**-96.1%**	**1**	**34**	**-100.0%**

In 2Q22, the equity income down 96.1%, resulting in a reduction of R$ 20 million, mainly justified by the results of FOTE and TSLE in 2Q21. These investments were divested during 2021, being part of the company's privatization process.

In 1H22, the equity income down 100%, also mainly justified by the results of FOTE and TSLE. These investments were divested during 2021, being part of the company's privatization process.

EBITDA

EBITDA and Net Income conciliation (R$ million)						
	2Q22	2Q21	Var.	1H22	1H21	Var.
Net Income	**105**	**159**	**-33,9%**	**208**	**169**	**23,2%**
Depreciation and Amortization	26	30	-13,1%	55	60	-8,3%
Financial Result	71	(87)	-	(39)	(10)	296,6%
Income Tax / Social Contribution	(78)	171	-	(13)	219	-
EBITDA	**125**	**273**	**-54,4%**	**210**	**438**	**-52,0%**

Regulatory EBITDA in 2Q22 was a positive R$ 125 million, a reduction of 54.4% (R$ 149 million) compared to R$ 273 million recorded in 2Q21, mainly due to reduction of net revenue, essentially justified by the reprofiling of the financial component of RBSE and accounting of revenue stemming from the disposal of assets (real estate and investments) in 2Q21 – an extraordinary item.

In 1H22, **Regulatory EBITDA** was a positive R$ 210 million, a reduction of 52.0% (R$ 228 million) mainly due to:

(i) increase in PMSO caused by the accounting in 2021 of revenue in the disposal of assets (real estate and investments) in the amount of R$ 102 million;

(ii) reduction of net revenue, essentially justified by the reprofiling of the financial component of RBSE (R$ 70 million);

(iii) increase in PMSO caused by the accounting in 2021 of revenue in the disposal of assets (real estate and investments) in the amount of R$ 102 million;

(iv) reduction of equity income of R$ 33 million, resulting from the disposal of the TSLE and FOTE investments.

Financial Result

Financial Result (R$ Million)						
	2Q22	2Q21	Var.	1H22	1H21	Var. %
Revenue	28	93	-69.7%	154	104	47.5%
Expenses	(99)	(5)	1911.2%	(115)	(94)	22.5%
Financial Result	**(71)**	**88**	**-**	**39**	**10**	**301.9%**

In 2Q22, the financial result was a **net financial expense** of R$ 71 million, compared to net financial revenue of R$ 88 million in 2Q21, which resulted in a variation of R$ 159 million, chiefly due to:

(i) exchange variation linked to foreign currency loans (R$ 107 million), due to the devaluation of the *real* against the dollar. These loans were paid off during 2Q22;

(ii) Financial expense arising from a contractual clause of pre-discharge of financing with AFD (R$ 36 million);

(iii) other effects (R$ 16 million).

In 1H22, the financial result was a **net financial revenue** of R$ 39 million, compared to net financial revenue of R$ 10 million in 1H21, which resulted in a variation of R$ 18 million, chiefly due to:

(i) exchange variation linked to foreign currency loans (R$ 54 million), due to the appreciation of the *real* against the dollar;

Partially offset by the:

(i) financial expense arising from a contractual clause of pre-discharge of financing with AFD (R$ 36 million).

Income Tax and Social Contribution

In 2Q22, Income Tax and Social Contribution item registered a positive result of R$ 78 million, compared to a negative result of R$ 171 million in 2Q21, with a variation of R$ 249 million, mainly justified by the recognition of tax credit arising from the treatment of exchange rate variation after the discharge of IDB and AFD financing (R$ 95 million) and the lower incidence of taxes, as a result of the lower results of the period.

In 1H22, Income Tax and Social Contribution item registered a positive result of R$ 13 million, compared to a negative result of R$ 219 million, with a variation of R$ 232 million, also impacted by the effects of tax credits arising from the treatment of exchange variation after the discharge of IDB and AFD loans and effect of the lower result compared to 1H21.

Net Income

In 2Q22, **net income** reached R$ 105 million, decreasing 33.9% (R$ 54 million), mainly explained by the accounting of extraordinary events in 2Q21 and the worsening of net financial result, partially offset by the positive effects of tax credits.

In 1H22, **net income** reached R$ 208 million, increasing 23.2% (R$ 39 million), mainly explained by the same factors cited above.

6.4.1.3) Key Differences – Regulatory vs. IFRS

Revenue: As per IFRS, revenues from investments made during the concession period are recognized through the cash flow of the contractual asset, which is remunerated at the estimated rate of the projects. In regulatory accounting, investments are treated as property, plant and equipment, and depreciated over their life cycle, with revenue booked through the billing process, during the concession term, similar to perceived revenue in operating cash flow.

Cost of Construction: Under IFRS, infrastructure installation costs that refer to the investment amounts made, considering the manpower used, are recognized in results, which does not exist in regulatory accounting.

Depreciation: Under IFRS, assets related to the concession are classified as contractual assets or financial assets. Under IFRS, property, plant and equipment comprises assets belonging to the Company and not linked to the concession. In regulatory accounting, the concession asset is considered property, plant and equipment and is depreciated over its life cycle.

Other Expenses (Provisions): Under IFRS, Contractual Assets are measured at fair value and losses related to the impairment of assets that comprise them must be recognized in results. This loss is calculated through future investments linked to obligations, which, according to discounted cash flow, would not be recoverable during the concession period due to the delay in works that result in the reduction of expected RAP. In regulatory accounting, the rule of fair value measurement is not applicable.

Income Tax/Social Contribution: The difference between corporate and regulatory Income Tax/Social Contribution expenses is due to the respective differences in their calculation bases.

7) ATTACHMENTS

The tables contained in this chapter in previous versions of CPFL Energia's Earnings Release are available in Excel format, in the CPFL Energia Historical Information Base, available on the IR website. Click here access the file.

If you have any doubts, please Contact IR.