



**ENERGISA S/A**  
A Publicly Held Company  
CNPJ/MF 00.864.214/0001-06  
[www.energisa.com.br](http://www.energisa.com.br)

## PRESS RELEASE

ENERGISA S.A. (“Energisa” or “Company”), a publicly held company, corporate taxpayer registration number (CNPJ/MF) 00.864.214/0001-06, hereby announces that at an Ordinary Public Meeting of the Executive Board held April 3, 2018, the National Electricity Regulatory Agency (“Aneel”) approved the 4<sup>th</sup> periodical rate review of the subsidiaries Energisa Mato Grosso (“EMT”) and Energisa Mato Grosso do Sul (“EMS”), to be applied from April 8, 2018.

The average effect to be felt by consumers in relation to the current rate in place will be an increase of 11.53% for EMT’s consumers and 9.87% for EMS’ consumers, according to the following voltages:

Voltage Level	Average Effect for EMT Consumer	Average Effect for EMS Consumer
Low Voltage	+ 13.98%	+ 10.65%
High and Medium Voltage	+ 5.94%	+ 7.91%
<b>Total</b>	<b>+ 11.53%</b>	<b>+ 9.87%</b>

In the periodical rate review process, which takes place every five years, Aneel recalculates (i) the regulatory costs that can be controlled by the distribution company (Portion B), (ii) uncontrollable costs (Portion A), which include purchased energy, energy transmission and sector charges, and (iii) the financial adjustments of Portion A which are restated based on the variance of prices in the previous twelve months.

The distribution companies’ Regulatory Remuneration Base was defined:

Regulatory Remuneration Base (R\$ thousand)	EMT	EMS
Gross	5,186,873	3,051,252
Net	3,459,754	1,864,517

Aneel also established the portions relating to the X Factor of EMT at 1.48% (“Pd” component - productivity gains) and -1.21% (“T” component - operational cost adequacy trajectory) The “Q” component (quality) of 0.13% should also be added to these percentages. For EMS, the X Factor was 1.32% Pd component, -1.45% for the T component and -0.16% for the Q component.

The following percentages of **regulatory losses** were also recognized:

Regulatory Losses	EMT	EMS
Technical Loss/Required Energy	10.04%	9.62%
Nontechnical Loss/Required Energy	3.71%	3.26%
Total Loss/Required Energy <sup>1</sup>	13.75%	12.88%
Non-Technical Losses / Low-Voltage Sector <sup>1</sup>	7.11%	5.99%

<sup>1</sup>The trajectory will be applied to this amount until the end of the cycle.

See below the main components of the aforementioned rate replacements:

R\$ thousand	EMT	EMS
Sector Charges	660,817	428,278
Energy Transmission	256,871	226,387
Purchased Energy	1,720,766	935,759
<b>Portion A</b>	<b>2,638,454</b>	<b>1,590,424</b>
Operating Costs	640,257	407,101
Unrecoverable Revenue	22,663	13,469
Interest on Capital	463,692	248,929
Regulatory Reintegration Quota	191,914	115,337
Annual cost of fixed and mobile facilities (CAIMI)	95,980	63,404
<b>Portion B (VPB)</b>	<b>1,414,507</b>	<b>848,240</b>
X Pd Factor (Productivity Index of Portion B)	1.48%	1.32%
X Q Factor (Quality Incentive Mechanism)	0.13%	-0.16%
<b>Portion B (with adjustments)</b>	<b>1,391,784</b>	<b>838,404</b>
<b>Required Revenue = Portion A + Portion B</b>	<b>4,030,238</b>	<b>2,428,828</b>
Other Revenue	17,295	11,652
<b>Portion B (less Other Revenue)</b>	<b>1,374,489</b>	<b>826,751</b>
Financial Components	70,669	3,139
<b>Average effect to be faced by consumers</b>	<b>11.53%</b>	<b>9.87%</b>

Cataguases, April 3, 2018.

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