



Conference Call | Transmission Auction results

June 29, 2018

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Auction number 002/2018

Block 19: strong synergy due to Block 26, won in Apr/2017



Block 19

- ✓ **Extension:** 139 km
- ✓ **State:** Pará
- ✓ **Description:** LT 500 kV Serra Pelada - Integradora Sossego, CD, 2 x 66,5 km; LT 230 kV Integradora Sossego - Xinguara II, C2, 72,3 km; SE 500/138 kV Serra Pelada - pátio novo de 138 kV, (6+1R) x 50 MVA; SE 500/230 kV Integradora Sossego - pátio novo de 500 kV, (6+1R) x 250 MVA
- ✓ **ANEEL capex:** R\$ 479.8 million
- ✓ **Ceiling RAP*:** R\$ 78.3 million
- ✓ **Proposed RAP:** R\$ 33.5 million
- ✓ **Aneel Construction period:** 54 months
- ✓ **Beginning of operation:** March, 2023
- ✓ **Purpose:** Expansion of the basic network in order to enable the supply derived from the load growth in the southeast region of Pará, which has an intense mining activity

Main Assumptions

Diversification of Energisa's portfolio with an adequate profitability

Investments

- ✓ Capex optimization around 25%, with detailing, engineering and previous hiring
- ✓ Synergies with Block 26 (from the Apr/2017 auction), also located in the state of Pará

EPC supplier

- ✓ “Full Turn Key” model with top of the line EPC (Omexon) and robust guarantees
- ✓ EPC supplier incurs drilling, quantitative, deadline and price risk
- ✓ Robust guarantees package, performance, technical, global engineering insurance and civil liability insurance

Deadline

- ✓ Base case considers an optimized schedule, with a 12 months anticipation
- ✓ *Upside*: EPC contract contains a bonus clause if there is an anticipation in the construction deadline

Tax benefit

- ✓ REIDI benefit considered for CAPEX
- ✓ Presumed profits taxation method

Funding

- ✓ Long term financing structure with costs compatible with Energisa's risk
- ✓ Leverage around 80%

Leverage

- ✓ We will maintain the covenants limits and remain loyal to our financial policy

Transmission segment

3,444 MVA of transformation capacity and 571 km of transmission lines
(500/230 kv)



Blocks	Aneel Capex (R\$ million)	Proposed RAP (R\$ million)	Aneel Deadline
Block 3 (Auction 005/2016) (Energisa Goiás Transmissora)	305*	38*	Aug/2021
Block 26 (Auction 005/2016) (Energisa Pará Transmissora)	339*	48*	Feb/2022
Block 19 (Auction 002/2018)	480	34	Mar/2023
Total	1,124	120	-

Energisa Soluções

Present in 15 Brazilian states with more than 1,200 workers

Management and construction of substations and transmission lines, being responsible for every stage of the construction, from the project up to the beginning of operation



Generation

Operation
Maintenance
Projects



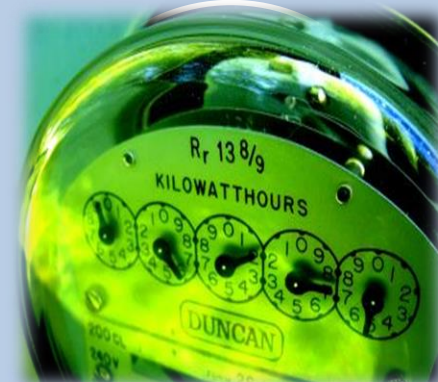
Transmission

Turn-key
Construction
Maintenance



Distribution

Turn-key
Construction
Maintenance



Energy Efficiency

Consulting
Application
Engineering
Installation



Electric and mechanic workshop

Manufacturing
Maintenance
Recovery



Automation

Consulting
Manufacturing
O&M

Transmission experience
+1,000 km of transmission lines (up to 230kV)
+ 60 substations delivered
Clients: large groups

Thank you

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