

CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA

A Publicly Held Company

CNPJ/MF nº. 02.998.611/0001- 04

NIRE 35300170571

MATERIAL FACT

CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“Company”) in compliance with CVM Instruction 358 and Paragraph 4, Article 157 of Law 6.404/76 and respective amendments, wishes to announce that it has made successful bids for five lots at the 05/2016 Transmission Auction held today by the National Electric Energy Agency (“ANEEL”), namely:

- Lot 1, through the Columbia Consortium, in which the Company participates in partnership with TAESA – Transmissão Aliança de Energia Elétrica S.A., and in equal proportions of 50%; and
- Lots 5, 6, 25 and 29 on an individual basis.

R\$ thousand	LOT 1 Columbia Consortium	LOT 5 Individual	LOT 6 Individual	LOT 25 Individual	LOT 29 Individual
Location	Paraná	São Paulo / Paraná	São Paulo	São Paulo	São Paulo
ANEEL Investment	1,936,473.88	134,646.37	397,733.49	125,794.25	601,879.53
ANEEL RAP	400,462.34	27,097.39	83,235.55	25,279.83	113,468.37
Auction RAP	267,316.70	18,371.27	46,183.29	10,729.00	53,678.48
Discount	33.24%	32.20%	44.51%	57.55%	52.69%
Grace period before start of operations - months	60	48	48	42	48
Extension - kms	1,200	36	-	-	111

Resources for the installation of the operations will be raised through capital injections from the shareholders while funding will be sought in the name of projects from the Brazilian Economic Development Bank – BNDES, as well as the capital markets through the medium of Infrastructure Debentures and from other available sources of finance.

The successful bids are part of the strategy for resuming the Company's growth through investment in the implementation of infrastructure and the operation of new projects, which will contribute to the expansion of the electric energy transmission system in Brazil. In addition, the projects may provide synergies with existing operations in the states of São Paulo and Paraná.

More details can be found in our internet page www.isacteep.com.br/ri.

São Paulo, April 24, 2017

Rinaldo Pecchio Jr.

Chief Financial and Investor Relations Officer