



CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA
CNPJ/MF n.º 02.998.611/0001-04
NIRE 35300170571

ANNOUNCEMENT TO THE MARKET

IE Aimorés Installation License issued

CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“ISA CTEEP”, “Company”) wishes to announce that it has received the Installation License (“LI”) issued by the Brazilian Institute of the Environment and Natural Resources (“IBAMA”) for the installations of the Interligação Elétrica Aimorés (“IE Aimorés”).

IE Aimorés is the project under construction pertaining to Lot 4 of the transmission auction 013/2015, held in October 2016, for which the Company successfully bid in partnership with Transmissora Aliança de Energia Elétrica S.A. (“Taesa”), the two companies having stakes of 50% each in the operation.

The project is located in the state of Minas Gerais and consists of the installation of a 500 kV (208 km), transmission line to link the Padre Paraíso 2 substation with the Governador Valadares 6 substation, and comprising the second circuit between these substations. The estimated capex is of R\$ 341 million (ANEEL Capex) and Annual Allowed Revenue (RAP) is of R\$ 76 million for the 2018/2019 cycle. The timeframe stipulated by ANEEL for energization is February 2022.

The Company reiterates its commitment to the creation of value through projects which contribute to the expansion of the electricity transmission system in Brazil.

São Paulo, April 24, 2019

Reynaldo Passanezi Filho

Chief Executive Officer and Chief Financial and Investor Relations Officer