



CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA

CNPJ/MF n.º 02.998.611/0001-04

NIRE 35300170571

NOTICE TO THE MARKET

Installation Licenses Obtained for IE Ivaí

CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“ISA CTEEP”, “Company”) wishes to announce to the public that it has obtained the Installation License (“IL”) from the Environmental Institute of Paraná (“Instituto Ambiental do Paraná” - IAP) regarding the Sarandi – Paranavaí Norte 230 kV transmission line, dual circuit (“DC”), with an extension of 81.2 kilometers that belongs to Interligação Elétrica Ivaí (“IE Ivaí”). With this license, the Company is authorized to begin the construction of these installations. IE Ivaí has already obtained, in April of 2019, the IL regarding the 525/230 kV Sarandi substation, and, in May of 2019, the IL regarding the 230/138 kV Paranavaí Norte substation.

IE Ivaí is the project under construction of Lot 1 from transmission auction no. 005/2016, held in April of 2017, where the Company participates in partnership with Transmissora Aliança de Energia Elétrica S.A. (“Taesa”) each with an equal 50% stake.

The project is located in the state of Paraná with an extension of 600 kilometer (Dual Circuit) and 3 new substations, for a total investment of R\$1.9 billion (ANEEL Capex) and Permitted Annual Revenue (“RAP”) of R\$281 million for the 2018-2019 cycle. ANEEL’s stipulated deadline for energization is August of 2022.

The Company reiterates its commitment to create value with projects that will contribute to the expansion of Brazil’s electric energy transmission system.

São Paulo, June 18, 2019

Reynaldo Passanezi Filho

Chief Executive Officer and Chief Financial and Investor Relations Officer