



CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA
Publicly-Held Company
Corporate Taxpayer ID (CNPJ/MF) 02.998.611/0001-04
Company Registry (NIRE): 35300170571

NOTICE TO THE MARKET

Installation License obtained for Três Lagoas project

CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“ISA CTEEP,” “Company”) hereby informs the public that it has obtained the Installation License (“IL”) from the Brazilian Environmental Agency (“IBAMA”) for the Três Lagoas project. With the Installation License obtained, construction works can begin.

Três Lagoas is the project of Lot 6 of ANEEL Transmission Auction #02/2019 held in December 2019. It is located in the states of Mato Grosso do Sul and São Paulo and involves the installation of 37 km of transmission lines and the expansion of two substations.

The implementation of this project is part of the infrastructure works defined in the report “Prospective Study for Distribution of Photovoltaic/Biomass Potential in the Northwestern Region of São Paulo State” of April 23, 2018, which core objective is to provide the necessary reinforcements for distributing the power generation potential offered by photovoltaic and biomass plants in the Northwestern region of São Paulo state.

In line with its social and environmental responsibility, ISA CTEEP will use techniques to minimize environmental impacts, such as the distribution and elevation of towers, resulting in minimum removal of vegetation; laying of cables using drones, which avoids interventions and preserves native vegetation; and the adoption of stowage in 100% of the new accesses located in flooded areas. In addition, Environmental Education and Social Communication Programs will be run during the construction period.

ANEEL’s investment is of BRL99 million and the Permitted Annual Revenue (“RAP”) for the 2020-2021 cycle is of BRL5 million. The deadline set by ANEEL for startup is June 2023.

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

São Paulo, January 26th, 2021.

Alessandro Gregori Filho
Chief Financial and Investor Relations Officer