



## Notice to the Market – IR 06/16

### Copel Distribuição's Captive Market declines 0.7% in 2015

This report analyzes the performance of Copel's electricity market between January and December 2015 and all comparisons refer to the same period in 2014.

#### Copel Distribuição

##### Captive Market

Copel Distribuição's electricity sales to the captive market totaled 24,043 GWh in 2015, 0.7% less than in 2014, chiefly due to the economic stagnation and the tariff increase. The following table shows captive market trends by consumption segment:

	Number of Customers			Energy sold (GWh)					
	Dec-15	Dec-14	Var. %	4Q15	4Q14	Var. %	2015	2014	Var. %
Residential	3,527,126	3,437,030	2.6	1,718	1,842	(6.7)	6,957	7,267	(4.3)
Industrial	88,276	91,068	(3.1)	1,757	1,801	(2.5)	6,929	6,838	1.3
Commercial	376,959	369,205	2.1	1,371	1,440	(4.8)	5,530	5,470	1.1
Rural	368,297	372,464	(1.1)	548	571	(3.9)	2,256	2,252	0.2
Other	57,404	57,203	0.4	617	622	(0.9)	2,371	2,381	(0.4)
<b>Captive Market</b>	<b>4,418,062</b>	<b>4,326,970</b>	<b>2.1</b>	<b>6,011</b>	<b>6,276</b>	<b>(4.2)</b>	<b>24,043</b>	<b>24,208</b>	<b>(0.7)</b>

The residential segment consumed 6,957 GWh, 4.3% down, mainly as a result of the decline in the population's average income, due to the worsening of the economic crisis, which led to the rationalization of electricity consumption in this segment, and also influenced by the tariff increases. At the end of 2015, this segment accounted for 28.9% of Copel's captive market, totaling 3,527,126 customers.

The industrial segment consumed 6,929 GWh, 1.3% up, thanks to a production increase in the Food (agribusiness) and Pulp and Paper sectors. At the end of 2015, this segment represented 28.8% of Copel's captive market, totaling 88,276 customers.

The commercial segment consumed 5,530 GWh, 1.1% more than in 2014. The customer base also increased. At the end of December, this segment represented 23.0% of Copel's captive market, totaling 376,959 customers.

The rural segment consumed 2,256 GWh, 0.2% up on 2014, also reflecting the excellent performance of agribusiness in Paraná State. In 2015, this segment represented 9.4% of Copel's captive market, totaling 368,297 customers.

Other segments (public agencies, public lighting, public services and own consumption) consumed 2,371 GWh, 0.4% down in the period. These segments jointly account for 9.9% of COPEL's captive market, totaling 57,404 consumers at the end of the period.

## Copel Distribuição's Grid Market (TUSD)

Copel Distribuição's grid market, comprising the captive market, concessionaires and licensees in the State of Paraná, and all free consumers within the Company's concession area, fell 2.0% in 2015, as shown in the following table:

	Number of Customers / Agreements			Energy Sold (GWh)						
	Dec-15	Sep-15	Var. %	4Q15	3Q14	4T14	Var. %	2015	2014	Var. %
Captive Market	4,418,062	4,391,770	2.1	6,011	5,809	6,276	(4.2)	24,043	24,208	(0.7)
Concessionaires and Licensees	4	6	-	186	187	190	(2.1)	755	738	2.3
Free Customers <sup>1</sup>	131	127	(2.2)	987	1,006	1,121	(12.0)	4,045	4,483	(9.8)
<b>Grid Market</b>	<b>4,418,197</b>	<b>4,391,903</b>	<b>2.1</b>	<b>7,184</b>	<b>7,002</b>	<b>7,587</b>	<b>(5.3)</b>	<b>28,843</b>	<b>29,429</b>	<b>(2.0)</b>

<sup>1</sup> All free customers served by Copel GeT and other suppliers at the Copel DIS concession area.

## Copel's Consolidated Market

### Electricity Sales to Final Customers

COPEL's electricity sales to final customers, comprising COPEL Distribuição's sales in the captive market and COPEL Geração e Transmissão's sales in the free market, fell 1.0% in 2015.

The table below breaks down energy sales by consumption segment:

Segment	Market	Energy Sold (GWh)					
		4Q15	4Q14	Var. %	2015	2014	Var. %
<b>Residential</b>		<b>1,718</b>	<b>1,842</b>	<b>(6.7)</b>	<b>6,957</b>	<b>7,267</b>	<b>(4.3)</b>
	<b>Total</b>	<b>2,697</b>	<b>2,794</b>	<b>(3.5)</b>	<b>10,823</b>	<b>10,841</b>	<b>(0.2)</b>
<b>Industrial</b>	Captive	1,757	1,801	(2.5)	6,929	6,837	1.3
	Free	940	993	(5.3)	3,894	4,004	(2.7)
	<b>Total</b>	<b>1,374</b>	<b>1,443</b>	<b>(4.8)</b>	<b>5,542</b>	<b>5,482</b>	<b>1.1</b>
<b>Commercial</b>	Captive	1,371	1,440	(4.8)	5,530	5,470	1.1
	Total	3	3	5.0	12	12	1.2
<b>Rural</b>		<b>548</b>	<b>571</b>	<b>(3.9)</b>	<b>2,256</b>	<b>2,252</b>	<b>0.2</b>
<b>Other</b>		<b>617</b>	<b>623</b>	<b>(1.0)</b>	<b>2,371</b>	<b>2,382</b>	<b>(0.5)</b>
<b>Energy Supply</b>		<b>6,954</b>	<b>7,273</b>	<b>(4.4)</b>	<b>27,949</b>	<b>28,224</b>	<b>(1.0)</b>

## Total Energy Sold

Total energy sold by Copel, comprising Copel Distribuição's and Copel Geração e Transmissão's sales in all the markets, came to 44,196 GWh in 2015, 1.5% higher than in 2014. Copel Geração e Transmissão's sales totaled 17,391 GWh between January and December, 4.9% down from 2014.

The following table shows Copel's total electricity sales broken down between Copel Distribuição and Copel Geração e Transmissão:

	Number of Customers / Agreements			Energy Sold (GWh)					
	Dec-15	Dec-14	Var. %	4Q15	4Q14	Var. %	2015	2014	Var. %
<b>Copel DIS</b>									
Captive Market	4,418,062	4,326,970	2.1	6,011	6,276	(4.2)	24,043	24,208	(0.7)
Concessionaries and Licensees	4	4	-	172	177	(2.8)	699	699	-
CCEE (MCP)	-	-	-	574	93	518.5	940	368	155.4
<b>Total Copel DIS</b>	<b>4,418,066</b>	<b>4,326,974</b>	<b>2.1</b>	<b>6,757</b>	<b>6,546</b>	<b>3.2</b>	<b>25,682</b>	<b>25,275</b>	<b>1.6</b>
<b>Copel GeT</b>									
CCEAR (Copel DIS)	1	1	-	45	112	(59.9)	215	411	(47.7)
CCEAR (other concessionaries)	39	39	-	1,124	1,199	(6.2)	4,457	4,695	(5.1)
Free Customers	28	29	(3.4)	943	996	(5.3)	3,906	4,016	(2.7)
Bilateral Agreements <sup>1</sup>	25	30	(16.7)	1,590	1,858	(14.4)	6,675	7,392	(9.7)
CCEE (MCP) <sup>2</sup>	-	-	-	330	275	19.9	2,137	1,773	20.5
<b>Total Copel GeT</b>	<b>93</b>	<b>99</b>	<b>(6.1)</b>	<b>4,033</b>	<b>4,440</b>	<b>(9.2)</b>	<b>17,391</b>	<b>18,287</b>	<b>(4.9)</b>
<b>Copel Renováveis</b>									
CCEAR (other concessionaries)	112	-	-	212	-	-	766	-	-
CER	3	-	-	90	-	-	357	-	-
<b>Total Copel Ren</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>302</b>	<b>-</b>	<b>-</b>	<b>1,123</b>	<b>-</b>	<b>-</b>
<b>Total Copel Consolidated</b>	<b>4,418,274</b>	<b>4,327,073</b>	<b>2.1</b>	<b>11,092</b>	<b>10,986</b>	<b>1.0</b>	<b>44,196</b>	<b>43,562</b>	<b>1.5</b>

Note: Not considering the energy from MRE (Energy Relocation Mechanism).

<sup>1</sup> Includes Short Term Sales Agreements.

<sup>2</sup> Assured Power allocated in the period, does not consider the impact of the GSF.

CCEE: Electric Power Trade Chamber / CCEAR: Energy Purchase Agreements in the Regulated Market / MCP: Short Term Market / CER: Agreements Reserve Energy.

## Araucária TPP

In 2015, the energy produced by the Araucária TPP was sold in the short-term market and totaled 2,465 GWh. The table below shows the amount of energy produced by the thermal power plant in 2015:

	GWh					
TPP Araucária - UEGA	4Q15	4Q14	Var. %	2015	2014	Var. %
Own Generation <sup>1</sup>	45	983	(95.4)	2,465	3,308	(25.5)

Font: ONS

<sup>1</sup> Value of gross generation verified by ONS, without considering losses of the Basic Network associated with the plant.

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