Rio Paranapanema Energia S.A. and Controlled Company
Individual and Consolidated Interim Accounting Information

Related to the Three Month and Nine Month Periods ended September 30, 2017 and
Report on the Quarterly Information Review

Summary

Rio Paranapanema Energia S.A.
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REPORT ON THE REVIEW OF QUARTERLY INFORMATION

(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Stockholders
Rio Paranapanema Energia S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Rio Paranapanema Energia S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2017, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34 - "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

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Rio Paranapanema Energia S.A.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine--month period ended September 30, 2017. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Audit of prior-year information

The Quarterly Information Form (ITR) mentioned in the first paragraph includes accounting information, presented for comparison purposes, related to the statements of income, comprehensive income, changes in equity, cash flows, and value added for the quarter ended September 30, 2016, obtained from the Quarterly Information Form (ITR) for that quarter, and also to the balance sheet as at December 31, 2016, obtained from the financial statements at December 31, 2016. The review of the Quarterly Information Form (ITR) for the quarter ended September 30, 2016 and the audit of the financial statements for the year ended December 31, 2016 were conducted under the responsibility of another firm of auditors, that have issued their review and audit reports dated November 10, 2016 and March 16, 2017, respectively, without qualification.

São Paulo, November 9, 2017

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Valdir Renato Coscodai
Contador CRC 1SP165875/O-6

COMMENTS ON THE ECONOMIC AND FINANCIAL PERFORMANCE PERIODS FROM JULY 1st TO SEPTEMBER 30, 2017 AND 2016

(In thousands of Brazilian *Reais*, except when designated otherwise)

The process of selling all the shares from the capital of Duke Energy International Brazil Holdings S.à.r.l. ("DEIBH") from Duke Energy International Group. S.à.r.l. (the Company's indirect controlling shareholder) to the company China Three Gorges (Luxembourg) Energy S.à.r.l. ("CTG Lux") was concluded on December 29, 2016, after all approvals were obtained from the competent regulatory bodies.

As a result of the transfer of the shareholding ownership of the Company, Duke Energy International Geração Paranapanema S.A had its corporate name changed to Rio Paranapanema Energia S.A., and its controlled company, Duke Energy International Geração Sapucaí–Mirim Ltda. was renamed Rio Sapucaí-Mirim Energia Ltda.

Main indicators (in thousands of Brazilian *Reais*)

	Consolidated		% Variance
	3Q2017	3Q2016	
Economic indicators			
Gross operating revenue	382,966	384,635	-0.4
(-) Deductions from the operating revenue	(44,743)	(40,523)	-10.4
Net operating revenue	338,223	344,112	-1.7
(-) Operating expenses	(357,610)	(188,955)	-89.3
Service result	(19,387)	155,157	-112.5
EBITDA	36,932	211,390	-82.5
EBITDA margin - %	*10.9%*	*61.4%*	-50.5 pp
Finance income	(13,046)	(29,371)	55.6
Operating income	(32,433)	125,786	-125.8
Net income / (loss) for the period	(21,793)	83,880	-126.0
Net margin - %	*-6.4%*	*24.4%*	-30.8 pp
Shares			
Outstanding shares (in thousands of shares)	94,433	94,433	-
Net income / (loss) per one thousand-share batch (in Brazilian Reais)	(230.77)	888.25	-126.0

From the consolidated amounts presented above, the controlled company represents 2.5% of the net operating revenue, or BRL 8.5 million (2.1% or BRL 7.1 million in the third quarter of 2016), 3.0% of the operating expenses, or BRL 10.8 million (2.6% or BRL 5.0 million in the third quarter of 2016) and 7.6% of the net loss recorded in the quarter representing BRL 1.6 million (3.3% or BRL 2.9 million of the income recorded in the third quarter of 2016).

	Consolidated		% Variance
	09/30/2017	09/30/2016	
Financial indicators			
Total assets	4,410,825	4,363,111	1.1
Debts in national currency	1,462,294	1,500,871	-2.6
Shareholders' equity	1,981,628	2,063,170	-4.0

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Cost of Electric Power Service and Operating Expenses (in thousands of Brazilian *Reais*)

	Consolidated		% Variance
	3Q2017	3Q2016	
Electric power purchased for resale	(211,381)	(32,333)	-553.8
Depreciation and amortization	(56,319)	(56,233)	-0.2
Charges for the use of electric power grid	(30,512)	(28,655)	-6.5
Personnel	(21,377)	(23,059)	7.3
Financial offset from the use of water resources	(17,714)	(20,748)	14.6
Third party services	(13,185)	(13,174)	-0.1
Insurance	(2,910)	(2,665)	-9.2
Rentals	(2,121)	(925)	-129.3
Others	(1,551)	(3,435)	54.8
Electric Power Service Inspection Fee (TFSEE)	(1,403)	(1,416)	0.9
Material	(1,401)	(934)	-50.0
Provisions for tax, labor and environmental risks	-	(4,721)	100.0
Estimate reversal / (constitution) for doubtful accounts	2,264	(657)	444.6
	(357,610)	**(188,955)**	**-89.3**

The operating expenses amounted to BRL 357.6 million in the third quarter of 2017, an increase of 89.3% in comparison to the same period in the previous year (BRL 188.9 million).

The main factors that impacted the operating expenses were:

- Electric power purchased for resale: increase of BRL 179.0 million, or 553.8% in comparison with the same period in the previous year due to a downturn in the hydrological scenario, represented by the decrease in –the Generation Scaling Factor (GSF);

- Financial offsetting from the use of water resources: decrease of BRL 3.0 million or 14.6% in comparison with the same period in the previous year, this variance was mainly due to the 22.7% decrease in the Restated Reference Rate (TAR), which decreased from BRL 93.35/MWh to BRL 72.20/MWh from January 1, 2017;

- Other expenses: the decrease in the amount of BRL 1.8 million in the third quarter of 2017 in comparison to the same period of 2016, represented, mainly, by asset write-offs related to the modernizations and reconstructions of the Capivara Plant, performed in 2016.

- Provision for tax, labor and environmental risks: decrease of BRL 4.7 million, or 100% in comparison to the same period of the previous year, since according to the evaluation of the external legal advisors, there were no new constitutions and/or reversals of provisions for tax, labor and environmental risks in the third quarter of 2017;

- Estimated reversal/(constitution) for doubtful accounts: decrease in BRL 2.9 million, or 444.6% in comparison to the same period of the previous year, as a result of the effects of receiving power sold through the Regulated Contracting Framework (ACR).

EBITDA and EBITDA margin (in thousands of Brazilian *Reais*)

	Consolidated		% Variance
	3Q2017	3Q2016	
Net income / (loss) for the period	(21,793)	83,880	-126.0%
Income tax and social contribution	(10,640)	41,906	-125.4%
Finance income (net)	13,046	29,371	-55.6%
Depreciation and amortization	56,319	56,233	0.2%
Ebitda	**36,932**	**211,390**	**-82.5%**
Ebitda Margin	*10.9%*	*61.4%*	

Earnings before interest, taxes, depreciation, and amortization (EBITDA) is calculated based on the net income added to the net finance income, income tax and social contribution, depreciation and amortization. EBITDA is a non-accounting measurement calculated according to the provisions in CVM Instruction No. 527/2012. The EBITDA should not be considered as an alternative to the cash flow as a liquidity indicator.

The Company's Management believes that EBITDA provides a useful measure of its performance, which is widely used by investors and analysts to evaluate performance and compare companies.

EBITDA decreased by 82.5% in comparison with the same period of the previous year, mainly due to the increase in operating expenses, represented mainly as a result of the increase in power purchased, resulting from the decrease in GSF levels.

Finance income (in thousands of Brazilian *Reais*)

	Consolidated		% Variance
	3Q2017	3Q2016	
Revenue	19,078	22,319	-14.5
Expenses	(32,124)	(51,690)	37.9
Net finance income	**(13,046)**	**(29,371)**	**55.6**

The net finance income presented in the third quarter of 2017 was negative BRL 13.0 million, which represents a positive impact of 55.6% compared to the same period in the previous year. This variance was basically due to the reduction of financial expenses mainly resulted from the CCB loan and the third issue of debentures, in addition to the lower levels of the rates used to update the debts in the comparative periods.

Debentures (in thousands of Brazilian *Reais*)

Issue	Series	Remuneration	Maturity	Consolidated	
				09/30/2017	09/30/2016
3rd	Single	CDI Variance + 1.15% per year	01/10/2017	-	77,472
4th	1	CDI Variance + 0.65% per year	07/16/2018	84,903	171,335
4th	2	IPCA variance + 6.07% per year	07/16/2023	330,536	322,836
5th	1	CDI Variance + 0.89% per year	05/20/2019	164,673	250,701
5th	2	IPCA Variance + 7.01% per year	05/20/2021	303,473	296,170
6th	Single	CDI Variance + 2.00% per year	09/10/2018	160,265	160,142
7th	1	CDI Variance + 0.40% per year	08/15/2020	219,286	-
7th	2	IPCA Variation + 5.90% per year	08/15/2022	199,158	-
				1,462,294	**1,278,656**

The balance of debentures of the Controlling Company in the third quarter of 2017 amounts to BRL 1,462.3 million, 14.4% higher compared to BRL 1,278.7 million in the same period of the previous year.

This increase is mainly due to the funding from the 7th issue (in September, 2017) together with the accounting appropriation of interest and monetary variation, compensated by the settlement of the 3rd issue, through the amortization of the 4th and 5th issues (series 1) and the payment of interest on the 4th, 5th and 6th issues.

Loans (in thousands of Brazilian *Reais*)

	Remuneration	Maturity	Consolidated	
			09/30/2017	09/30/2016
Bank Credit Note (CCB)	CDI Variance + 1.4% per	05/05/2017	-	222,215

In 2015, the Controlling Company raised funds from Citibank, in the amount of BRL 181 million, being updated at 100% of the accumulated variations of the CDI, plus interest of 1.4% per year. The maturity term of this loan was two years. There are no assets given as guarantee to obtain this financial transaction, and there are no covenants. The loan was settled due to its maturity.

Net financial debt (in thousands of Brazilian *Reais*)

	Consolidated		% Variance
	09/30/2017	09/30/2016	
Loan	-	222,215	-100.0
Debentures	1,462,294	1,278,656	14.4
Short Term	342,436	269,382	27.1
Long Term	1,119,858	1,009,274	11.0
Cash	(983,117)	(808,663)	-21.6
Net debt	**479,177**	**692,208**	**-30.8**

The consolidated net debt is made up of the indebtedness, less cash proceeds and cash equivalents. In comparison to the same period in 2016, it decreased by 30.8% mainly due to the generation of cash derived from the normal operations of the Company and its Controlled Company.

Net loss for the period

Due to the abovementioned items, the Company recorded, in the third quarter of 2017, the net loss of BRL 21.8 million (accumulated income of BRL 215.5 million), lower than the 126.0% compared to the income of BRL 83.8 million (accumulated BRL 237.5 million) recorded in the same period of the previous year.

This loss in the quarter derives mainly from the increase of 553.8% in the electric power purchased for resale, in comparison with the same period of the previous year.

The Controlling Company recorded in its equity result the negative effect of the result assessed from its controlled company, in the amount of BRL 1.7 million (income of BRL 2.9 million in the third quarter of 2016).

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BALANCE SHEETS AS AT SEPTEMBER 30, 2017 AND DECEMBER 31, 2016

(In thousands of Brazilian *Reais* - BRL)

ASSETS	Note	Controlling Company		Consolidated	
		09/30/2017	12/31/2016	09/30/2017	12/31/2016
Current					
Cash and cash equivalents	6	910,907	798,120	983,117	852,563
Trade receivables	7	136,788	133,371	139,644	135,892
Recoverable taxes	8	10,858	9,999	12,838	11,276
Services in progress		8,882	13,092	8,882	13,092
Prepaid expenses		10,045	346	10,206	346
Sundry debtors		1,882	1,458	2,273	1,815
Related parties	15.1	500	151	500	151
Other assets		190	115	190	115
Total current assets		**1,080,052**	**956,652**	**1,157,650**	**1,015,250**
Non-current					
Recoverable taxes	8	960	960	2,274	2,220
Legal deposits	9	50,387	47,612	50,387	47,612
Restricted funds		285	123	285	123
Prepaid expenses		2,879	3,075	2,879	3,075
Investments		220,210	215,242	2	26
Controlled Companies	10	220,208	215,216	-	-
Others		2	26	2	26
Property, plant and equipment	11	3,005,605	3,129,346	3,160,943	3,290,784
Intangible assets	12	32,771	28,801	36,405	29,033
Total non-current assets		**3,313,097**	**3,425,159**	**3,253,175**	**3,372,873**
Total assets		**4,393,149**	**4,381,811**	**4,410,825**	**4,388,123**

The Management notes are an integral part of the financial statements

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BALANCE SHEETS AS AT SEPTEMBER 30, 2017 AND DECEMBER 31, 2016
(In thousands of Brazilian *Reais* - BRL)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Controlling Company		Consolidated	
		09/30/2017	12/31/2016	09/30/2017	12/31/2016
Current					
Trade payables	13	552,458	343,844	564,349	347,623
Salaries and social charges		10,241	19,006	10,443	19,282
Loans	17	-	230,228	-	230,228
Debentures	16	342,436	285,383	342,436	285,383
Taxes payable	8	206,099	175,816	207,059	176,756
Dividends and interest on equity	23.4	3,315	228,692	3,315	228,692
Estimated obligations		10,384	7,948	10,623	8,105
Cibacap	18	890	890	890	890
Regulatory charges	22	25,594	27,815	25,600	27,822
Deferred revenue		2,270	8,739	2,270	8,739
Other liabilities		336	252	3,646	266
Total current liabilities		**1,154,023**	**1,328,613**	**1,170,631**	**1,333,786**
Non-current					
Debentures	16	1,119,858	1,012,140	1,119,858	1,012,140
Deferred revenue		20,276	4,544	20,931	5,303
Special obligations	21	1,512	1,758	1,512	1,758
Provisions for tax, labor and environmental risks	20	33,033	32,701	33,445	33,081
Cibacap	18	9,718	9,936	9,718	9,936
Deferred income tax and social contribution	8	44,236	191,797	44,236	191,797
Distribution System Usage Tariff (TUSDg)	13	16,842	13,960	16,842	13,960
Regulatory charges	22	6,297	8,647	6,297	8,647
Others Regulatory Obligations (RGR - 1970)		4,947	4,947	4,947	4,947
Other liabilities		779	780	780	780
Total non-current liabilities		**1,257,498**	**1,281,210**	**1,258,566**	**1,282,349**
Total liabilities		**2,411,521**	**2,609,823**	**2,429,197**	**2,616,135**
Shareholders' Equity					
Capital	23.1	839,138	839,138	839,138	839,138
Capital reserves	23.2	116,804	116,804	116,804	116,804
Earnings reserves	23.3	156,735	155,753	156,735	155,753
Retained earnings	23.4	271,998	-	271,998	-
Valuation adjustments to equity	23.5	596,953	660,293	596,953	660,293
Total shareholders' equity		**1,981,628**	**1,771,988**	**1,981,628**	**1,771,988**
Total liabilities and shareholders' equity		**4,393,149**	**4,381,811**	**4,410,825**	**4,388,123**

The Management notes are an integral part of the financial statements.

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INCOME STATEMENTS OF THE CONTROLLING COMPANY
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(In thousands of Brazilian *Reais*, except when designated otherwise)

	Note	Controlling Company			
		07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Net operating revenue	24	**329,737**	**1,083,214**	**336,987**	**979,380**
Cost of electric power service					
Personnel		(12,997)	(39,023)	(12,214)	(36,200)
Materials		(1,193)	(3,389)	(836)	(2,782)
Third party services		(7,844)	(16,244)	(8,158)	(21,458)
Electric Power Service Inspection Fee (TFSEE)		(1,383)	(4,148)	(1,396)	(4,187)
Electric power purchased for resale	25.2	(205,332)	(277,970)	(31,636)	(63,808)
Charges for the use of electric power grid	25.3	(30,392)	(88,537)	(28,538)	(80,617)
Financial offset from the use of water resources		(17,714)	(49,270)	(20,748)	(66,530)
Depreciation and amortization	11.b and 12.b	(53,103)	(159,114)	(53,460)	(160,531)
Reversal (constitution) of provision for tax, labor and environmental risks		-	154	(657)	(1,074)
Rentals		(2)	(4)	(37)	(111)
Insurance		(2,852)	(8,260)	(2,590)	(7,377)
Others		(187)	(805)	(227)	(846)
		(332,999)	**(646,610)**	**(160,497)**	**(445,521)**
Gross profit		**(3,262)**	**436,604**	**176,490**	**533,859**
Operating revenue / (expenses)					
Personnel		(7,801)	(33,242)	(10,260)	(29,355)
Materials		(111)	(484)	(43)	(110)
Third party services		(4,182)	(12,124)	(3,619)	(10,510)
Depreciation and amortization	11.b and 12.b	(517)	(1,435)	(439)	(1,291)
Constitution of provision for tax, labor and environmental risks		-	(107)	(4,072)	(4,121)
Estimate constitution/(reversal) of doubtful accounts	7	2,264	2,673	(1,084)	(2,575)
Rentals		(2,039)	(3,750)	(823)	(2,706)
Others		(1,350)	(14,791)	(3,117)	(9,411)
		(13,736)	**(63,260)**	**(23,457)**	**(60,079)**
Income from equity interest					
Equity result	10	(1,654)	4,992	2,905	8,284
Operating income /(loss)		**(18,652)**	**378,336**	**155,938**	**482,064**
Finance income	26				
Revenue		17,504	66,789	20,739	54,272
Expenses		(32,089)	(121,959)	(51,662)	(181,531)
		(14,585)	**(55,170)**	**(30,923)**	**(127,259)**
Income /(loss) before income tax and social contribution		**(33,237)**	**323,166**	**125,015**	**354,805**
Income tax and social contribution	27				
Current		(88,049)	(252,241)	(61,150)	(173,242)
Deferred		99,493	144,553	20,015	55,925
		11,444	**(107,688)**	**(41,135)**	**(117,317)**
Net income / (loss) for the period		**(21,793)**	**215,478**	**83,880**	**237,488**
Earnings / (losses) per share from continuing operations (in BRL per share)					
Basic and diluted earnings / (losses) per preferred share (PN)	28	(0.23077)	2.28181	0.88825	2.51488
Basic and diluted earnings / (losses) per preferred share (ON)	28	(0.23077)	2.28181	0.88825	2.51488

The Management notes are an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENTS
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(In thousands of Brazilian *Reais*, except when designated otherwise)

	Note	Consolidated			
		07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Net operating revenue	24	**338,223**	**1,107,922**	**344,112**	**1,003,389**
Cost of electric power service					
Personnel		(13,576)	(40,620)	(12,799)	(37,858)
Materials		(1,290)	(3,826)	(890)	(3,081)
Third party services		(8,872)	(19,307)	(9,397)	(24,643)
Electric Power Service Inspection Fee (TFSEE)		(1,403)	(4,210)	(1,416)	(4,249)
Electric power purchased for resale	25.2	(211,381)	(285,570)	(32,333)	(65,526)
Charges for the use of electric power grid	25.3	(30,512)	(88,899)	(28,655)	(80,968)
Financial offset from the use of water resources		(17,714)	(49,270)	(20,748)	(66,530)
Depreciation and amortization	11.b and 12.b	(55,793)	(166,945)	(55,786)	(167,495)
Reversal (constitution) of provision for tax, labor and environmental risks		-	154	(527)	(1,197)
Rentals		(8)	(15)	(37)	(113)
Insurance		(2,910)	(8,486)	(2,665)	(7,601)
Others		(188)	(852)	(294)	(952)
		(343,647)	**(667,846)**	**(165,547)**	**(460,213)**
Gross profit		**(5,424)**	**440,076**	**178,565**	**543,176**
Operating revenue / (expenses)					
Personnel		(7,801)	(33,242)	(10,260)	(29,352)
Materials		(111)	(519)	(44)	(113)
Third party services		(4,313)	(12,546)	(3,777)	(12,138)
Depreciation and amortization	11.b and 12.b	(526)	(1,463)	(447)	(1,311)
Constitution of provision for tax, labor and environmental risks		-	(107)	(4,194)	(4,243)
Estimated constitution/(reversal) of doubtful accounts	7	2,264	2,673	(657)	(2,503)
Rentals		(2,113)	(3,975)	(888)	(2,864)
Others		(1,363)	(14,941)	(3,141)	(9,533)
		(13,963)	**(64,120)**	**(23,408)**	**(62,057)**
Operating income /(loss)		**(19,387)**	**375,956**	**155,157**	**481,119**
Finance income	26				
Revenue		19,078	71,700	22,319	58,562
Expenses		(32,124)	(122,060)	(51,690)	(182,626)
		(13,046)	**(50,360)**	**(29,371)**	**(124,064)**
Income /(loss) before income tax and social contribution		**(32,433)**	**325,596**	**125,786**	**357,055**
Income tax and social contribution	27				
Current		(88,853)	(254,671)	(61,921)	(175,492)
Deferred		99,493	144,553	20,015	55,925
		10,640	**(110,118)**	**(41,906)**	**(119,567)**
Net income / (loss) for the period		**(21,793)**	**215,478**	**83,880**	**237,488**
Earnings / (losses) per share from continuing operations (in BRL per share)					
Basic and diluted earnings / (losses) per preferred share (PN)	28	(0.23077)	2.28181	0.88250	2.51488
Basic and diluted earnings / (losses) per preferred share (ON)	28	(0.23077)	2.28181	0.88250	2.51488

The Management notes are an integral part of the financial statements.

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STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016

(In thousands of Brazilian *Reais*, except when designated otherwise)

	Controlling Company and Consolidated		Controlling Company and Consolidated	
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Net income (or loss) for the period	**(21,793)**	**215,478**	**83,880**	**237,488**
Actuarial gains on defined benefit pension plan.	499	1,488	219	702
Deferred income tax and social contribution on actuarial gains	(170)	(506)	(75)	(239)
	329	**982**	**144**	**463**
Comprehensive income for the period	**(21,464)**	**216,460**	**84,024**	**237,951**

The Management notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
PERIODS ENDED ON SEPTEMBER 30, 2017 AND 2016

(In thousands of Brazilian *Reais* - BRL)

	Capital	Reserves		Retained Earnings	Valuation adjustments to equity (see Note 23.5)	Shareholders' equity of the Controlling Company and Consolidated
		Capital	Earnings			
Balances as at December 31, 2016	**839,138**	**116,804**	**155,753**	**-**	**660,293**	**1,771,988**
Comprehensive income for the period						
Net income of the period	-	-	-	215,478	-	215,478
Actuarial gains on defined benefit pension plan.	-	-	-	-	1,488	1,488
Deferred income tax and social contribution on actuarial gains	-	-	-	-	(506)	(506)
Reclassifications of net actuarial gains - CPC 33 (R1)	-	-	982	-	(982)	-
	-	**-**	**982**	**215,478**	**-**	**216,460**
Depreciation adjustment of previous fiscal years	-	-	-	-	(6,820)	(6,820)
Realization of valuation adjustments of equity (see Note 23.5)	-	-	-	85,636	(85,636)	-
Deferred tax on equity	-	-	-	(29,116)	29,116	-
	-	**-**	**-**	**56,520**	**(63,340)**	**(6,820)**
Balances as at September 30, 2017	**839,138**	**116,804**	**156,735**	**271,998**	**596,953**	**1,981,628**

	Capital	Reserves		Retained Earnings	Valuation adjustments to equity	Shareholders' equity of the Controlling Company and Consolidated
		Capital	Earnings			
Balances as at December 31, 2015	**839,138**	**105,468**	**137,134**	**-**	**732,143**	**1,813,883**
Comprehensive income for the period						
Net income of the period	-	-	-	237,488	-	237,488
Actuarial gains on defined benefit pension plan.	-	-	-	-	702	702
Deferred income tax and social contribution on actuarial gains	-	-	-	-	(239)	(239)
Reclassifications of net actuarial gains - CPC 33 (R1)	-	-	463	-	(463)	-
Capital reserve from the reimbursement of Brasil to Paranapanema related to the payment of arbitration of the controlled company	-	11,299	-	-	-	11,299
	-	**11,299**	**463**	**237,488**	**-**	**249,250**
Share-based payment	-	37	-	-	-	37
Realization of valuation adjustments of equity (see Note 23.5)	-	-	-	82,743	(82,743)	-
Deferred tax on equity	-	-	-	(28,133)	28,133	-
	-	**37**	**-**	**54,610**	**(54,610)**	**37**
Balances as at September 30, 2016	**839,138**	**116,804**	**137,597**	**292,098**	**677,533**	**2,063,170**

The Management notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOW
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(In thousands of Brazilian *Reais* - BRL)

	Controlling Company		Consolidated	
	09/30/2017	09/30/2016	09/30/2017	09/30/2016
Cash flow from operating activities				
Net income of the period	215,478	237,488	215,478	237,488
Adjustments to:				
Depreciation and amortization	160,549	161,822	168,408	168,806
Losses on offsetting of property, plant and equipment/intangible assets	22,244	6,677	22,257	6,706
Gain from the non-recoverability of the assets	-	-	-	(20)
Deferred income tax and social contribution	(144,553)	(55,925)	(144,553)	(55,925)
Estimate constitution/(reversal) for doubtful accounts	(2,672)	2,575	(2,672)	2,503
Interest on CCB loans	10,426	23,090	10,426	23,090
Interest on debentures	77,767	91,083	77,767	91,083
Amortization of transaction costs on debentures	1,358	895	1,358	895
Monetary variation on debentures	12,065	35,559	12,065	35,559
Constitution / (Reversal) of provision for tax, labor and environmental risks	(47)	5,195	(47)	5,440
Monetary variation on provision for tax, labor and environmental risks	1,265	1,961	1,300	2,072
Monetary variation on legal deposits	(3,006)	(3,793)	(3,009)	(3,796)
Financial updating of depostis for arbitration proceedings	-	-	-	871
Equity result	(4,992)	(8,284)	-	-
Share-based payment	-	37	-	37
Variation in assets and liabilities				
Trade receivables	(745)	30,318	(1,080)	33,390
Sundry debtors	(424)	(452)	(458)	(480)
Related parties	(349)	77	(349)	77
Services in progress	(2,723)	(4,346)	(2,723)	(4,346)
Restricted funds	(162)	(34)	(162)	(34)
Prepaid expenses	(9,503)	(2,444)	(9,664)	(2,524)
Trade payables	211,496	123,891	219,608	122,584
Salaries and social charges	(8,765)	(1,652)	(8,839)	(1,645)
Taxes, fees and contributions	230,259	157,018	231,917	157,016
Estimated obligations	2,436	3,464	2,518	3,569
Deferred revenue	9,263	(13,593)	9,159	(13,291)
Cibacap	(218)	622	(218)	622
Reversal / (constitution) of provision for tax, labor and environmental risks	(655)	(585)	(655)	(795)
Other variation in assets and liabilites	(6,452)	4,051	(3,156)	3,958
Cash generated in operations	**769,340**	**794,715**	**794,676**	**812,910**
Interest and monetary variation paid on debentures	(104,893)	(108,744)	(104,893)	(108,744)
Interest paid on loans - CCB	(59,654)	-	(59,654)	-
Income tax and social contribution - paid	(200,835)	(159,341)	(203,230)	(159,355)
Payment related to arbitration proceeding (see Note 14)	-	-	-	(15,952)
Net cash from operating activities	**403,958**	**526,630**	**426,899**	**528,859**
Cash flow from investment activities				
Capital reserve related to the reimbursement of the Controlled Company for the payment of arbitration of the Controlled Company	-	17,119	-	17,119
Income from property, plant and equipment sale	517	261	517	261
Additions to property, plant and equipment	(57,294)	(40,670)	(58,233)	(41,114)
Additions in intangible assets	(6,491)	(406)	(10,726)	(406)
Net cash used in investment activities	**(63,268)**	**(23,696)**	**(68,442)**	**(24,140)**
Cash flow from financing activities				
Amount received from issue of debentures	420,000	160,000	420,000	160,000
Debentures Issue transaction costs	(3,542)	(1,470)	(3,542)	(1,470)
Payment of debentures	(237,984)	(158,325)	(237,984)	(158,325)
Payment of loans	(181,000)	-	(181,000)	-
Dividends and interest on equity - paid	(225,377)	(160,330)	(225,377)	(160,330)
Net cash used in financing activities	**(227,903)**	**(160,125)**	**(227,903)**	**(160,125)**
Net increase/ (decrease) in cash and cash equivalents	**112,787**	**342,809**	**130,554**	**344,594**
Cash and cash equivalents at the beginning of the period	798,120	416,964	852,563	464,069
Cash and cash equivalents at the end of the period	910,907	759,773	983,117	808,663

The Management notes are an integral part of the financial statements.

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STATEMENTS OF VALUE ADDED
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(In thousands of Brazilian *Reais* - BRL)

	Controlling Company		Consolidated	
	09/30/2017	09/30/2016	09/30/2017	09/30/2016
Revenue				
Electric power sales	1,213,774	1,100,591	1,239,432	1,125,559
Revenue related to the construction of own assets	57,440	41,094	58,378	41,539
Estimated constitution/(reversal) for doubtful accounts	2,673	(2,575)	2,673	(2,503)
	1,273,887	**1,139,110**	**1,300,483**	**1,164,595**
Inputs acquired from third parties				
Electric power purchased and charges for the use of electric grid	(366,507)	(144,425)	(374,470)	(146,494)
Materials and services from third parties	(89,682)	(75,954)	(94,578)	(81,514)
Other operating costs	(22,723)	(21,695)	(23,034)	(22,227)
	(478,912)	**(242,074)**	**(492,082)**	**(250,235)**
Gross value added	**794,975**	**897,036**	**808,401**	**914,360**
Depreciation and amortization	(160,549)	(161,822)	(168,408)	(168,806)
Net value added produced	**634,426**	**735,214**	**639,993**	**745,554**
Rentals	300	246	300	246
Equity result	4,992	8,284	-	-
Financial revenue	66,789	54,272	71,700	58,562
Value added received througs transfers	**72,081**	**62,802**	**72,000**	**58,808**
Value added to be distributed	**706,507**	**798,016**	**711,993**	**804,362**
Value Added Distribution				
Personnel				
Direct compensation	37,710	35,812	38,564	36,674
Benefits	9,254	7,810	9,582	8,160
FGTS (Government Severance Indemnity Fund for Employees)	5,537	4,183	5,608	4,254
Provision for gratuities (bonuses)	6,263	5,155	6,312	5,212
Profit sharing	2,932	2,726	2,997	2,810
Social charges (except for INSS)	2,660	2,419	2,717	2,475
	64,356	**58,105**	**65,780**	**59,585**
Taxes, fees and contributions				
Federal	284,151	303,036	287,875	306,646
State	16,627	14,892	16,629	14,894
Municipal	182	147	182	147
	300,960	**318,075**	**304,686**	**321,687**
Remuneration from third partys capital				
Rentals	3,754	2,817	3,990	2,977
Interest on debentures	77,767	91,978	77,767	91,978
Interest on loans	10,426	23,090	10,426	23,090
Monetary variations on debentures	12,065	35,559	12,065	35,559
Interest recovery and monetary adjustment of debentures (see Note 14.3)	-	(774)	-	(774)
Other financial expenses	21,701	31,678	21,801	32,772
	125,713	**184,348**	**126,049**	**185,602**
Others				
Retained earnings	271,998	292,098	271,998	292,098
Realization of deemed cost of property, plant and equipment	(56,520)	(54,610)	(56,520)	(54,610)
	215,478	**237,488**	**215,478**	**237,488**
Distributed value added	**706,507**	**798,016**	**711,993**	**804,362**

The Management notes are an integral part of the financial statements.

MANAGEMENT NOTES
TO THE QUARTERLY INFORMATION - ITR ON SEPTEMBER 30, 2017
(Amounts expressed in thousands of Brazilian *Reais*, except when designated otherwise)

1. GENERAL INFORMATION

1.1. Corporate reorganization

As of December 29, 2016, after all approvals were obtained from the regulatory authorities, represented by the Administrative Council of Economic Defense (CADE) and the National Electric Power Agency (ANEEL), the sale of all of the shares of the capital of Duke Energy International Brazil Holdings S.à.r.l. ("DEIBH") was completed by Duke Energy International Group. S.à.r.l. (indirect controlling shareholder of the Company) to the company China Three Gorges (Luxembourg) Energy S.à.r.l. ("CTG Lux").

The purchase and sale agreement represented the direct acquisition, on the part of CTG Lux, of all 735,023 preferred shares issued by the entity then known as Duke Energy International Geração Paranapanema S.A, now named Rio Paranapanema Energia S.A. (the "Company") held by DEIBH (indirect controlling company), and the indirect acquisition of the 31,180,723 common shares and 57,849,548 preferred shares held by Duke Energy International Brasil Ltda. (the current Rio Paranapanema Participações S.A.), the direct controlling shareholder of the Company, representing in total 99.06% of the voting capital of the Company and its controlled company.

The enterprise value of operation between Grupo Duke Energy and CTG was US$ 1.2 billion.

1.2. Operating context

Rio Paranapanema Energia S.A. (the "Controlling Company" or the "Company") is a publicly-held corporation and a public utility concessionaire, operating as an independent generator, with its registered office in São Paulo, mainly engaged in the generation and sale of electric power, activities which are regulated and supervised by the National Electric Energy Agency (ANEEL), which reports to the Ministry of Mines and Energy (MME).

The Company's installed capacity is 2,241.3 MW, consisting of the following generation plants in operation in the State of São Paulo: UHE (hydroelectric power plant) Capivara, UHE Chavantes, UHE Jurumirim, UHE Salto Grande, UHE Taquaruçu, UHE Rosana and 49.7% of the Canoas Complex, consisting of UHEs Canoas I and II.

As mentioned in Note 10, the Company holds a 99.99% equity interest in Sapucaí-Mirim Energia Ltda. (previously named Duke Energy International Geração Sapucaí-Mirim Ltda.) (the "Controlled Company" or "Sapucaí Mirim").

The installed capacity of the Controlled Company is 32.5 MW, consisting of the PCH (Small Hydroelectric Plants) Retiro and PCH Palmeiras, located on the Sapucaí River, in the municipalities of Guará and São Joaquim da Barra, both in the State of São Paulo.

On September 30, 2017, the Company's negative net working capital was BRL 73,971 in the Controlling Company and BRL 12,981 in the Consolidated (BRL 371,961 and BRL 318,536, respectively, as at December 31, 2016), mainly due to the funding from the 7th issue of debentures, offset by the transfer of the balance from the 6th issue of debentures to current liabilities, which will be settled in September 2018. In order to equalize this scenario, the Company has continuous cash generation from operating activities.

1.3. Injunction on the Generation Scaling Factor (GSF)

Brazil is still feeling the effects of the severe hydrological crisis suffered in recent years, which caused the depletion of reservoirs and increased the level of dispatch of the thermoelectric plants to its maximum. As a consequence, the Differences Settlement Price (PLD) reached its cap in 2014, 2015 and 2017, increasing the exposure of electric power generators to the Short Term Market (MCP) due to the Generation Scaling Factor (GSF).

The Associação Brasileira dos Produtores Independentes de Energia Elétrica (APINE) filed an injunction to mitigate the exposure of its generators to this level of GSF until the appropriate allocation of disposal costs out of merit order.

On July 2, 2015, this preliminary injunction was granted in favor of APINE, limiting the Company's exposure and that of other generators to the GSF, until the moment of the judgment of the merits of the claim. An interlocutory appeal was filed, but an appeal has not yet been granted and the injunction has remained in force since then. The Company records provisions for the amounts effectively received as a result of the GSF injunction in the line item "Trade Payables" (see Note 13). The outcome of the lawsuit is still uncertain and the decision, when rendered in the lower court, is subject to appeal. Thus, it is not possible to foresee the impact on the Company and its Controlled Company.

On December 8, 2015, the federal government enacted Law 13203/2015 which presented guidelines for the renegotiation proposal of the hydrological risk of the Electric Power Reallocation Mechanism ("MRE"), both in the Deregulated Contracting Framework ("ACL") and in the Regulated Contracting Framework ("ACR"), establishing a new legal provision for renegotiating the hydrological risk of MRE participants for a determined period of time.

In general, ACL's proposal offered economic benefits for the purchase of electric power in 2015, by means of relief through the creation of an intangible asset from part of this amount.

In addition to that, the renegotiation agreement provided an extension to the concession period, equivalent to the amount of the intangible asset, and the contracting of insurance in the form of an electric power reserve for the period 2016 to 2018.

Finally, the agreement required the acquisition of additional insurance, as an incremental electric power reserve for the period of 2019 until the end of the concession. The acquisition result of this incremental insurance and its use, if negative, would also be object of extension of the concession arrangement.

As counterparty, the agents that would adhere to the renegotiation of the hydrologic risk, in the ACR or ACL, would have to waive any and all lawsuits related to the hydrologic risk within the scope of the MRE.

Given these assumptions, after an analysis of the amount from this option and considering the uncertainties inherent in the variables involved, the Company and its controlled company decided not to renegotiate.

ANEEL Normative Resolution No. 764/2017, arising from Public Audience No. 45/2016, promoted by the regulator, defined the rules for partial reimbursement given to the participants in the MRE of the costs of GFOM (Generation Out of Merit Order), contained in Law No. 13,203/2015 and of imports without physical guarantee, amended by Law 13360/2016. However, the effective reimbursement of this Normative Resolution is still pending the approval of the commercialization rules for the recording of such amounts by the CCEE, for the Company's benefit. It is expected that this ruling will be incorporated into the set of commercialization rules in the beginning of 2018, with retroactive effect to April 2017.

1.4. Revision of the physical guarantees of the hydroelectric power plants

According to Decree No. 2655/1998, the ordinary revision of the physical guarantees of the hydroelectric power plants of the system should occur every five years, starting in 2003. Later, this revision was postponed to 2015, and then to 2016. In December 2016, this revision was once again postponed by MME to 2018.

On May 4, 2017, Ordinance No. 178/2017 was published, defining the new physical guarantees of the centrally dispatched hydroelectric power plants, effective from January 1, 2018, as a result of the ordinary physical energy guarantee review. Thus, from that date, there will be a decrease of approximately 5% of the physical guarantee of Rio Paranapanema Energia compared to the physical guarantee in effect on September 30, 2017.

In July 2017, ANEEL dispatch No. 1943/2017 homologated the parameters of the UG04 repowering of HPP Capivara, resulting in a physical guarantee increase of 3.3 MW.

1.5. Legal Milestones of the electric sector

The Ministry of Mines and Energy (MME) launched Public Consultations aimed at reorganizing the Brazilian Electric Sector.

The first, CP MME No. 032, deals with the “Guidelines for Reorganizing the Brazilian Electric Sector”, the report for which covers the conceptual basis of the Ministry for the preparation of measures to improve the legal, institutional and regulatory framework of the sector that will guide the discussion.

The second, CP MME No. 33, puts in submits for consultation the technical proposals by means of a consolidated and detailed document entitled "Legal Measures that Enable the Future of the Electric Sector with Long-term term Sustainability".

The document sets forth proposals for topics already under discussion in the sector, such as opening access to the free market, separation of cover of sales and energy, the use of hourly prices, the administration of involuntary overcontracting, the rationalization of subsidies, the discontinuation of the quota scheme and the privatization of generation concessionaires.

The Ministry declared that all of these initiatives are part of the promotion of transparency and dialogue that will guide the actions of the agency.

The Company, while studying and following the evolution of those measures, believes that in principle this is a positive measure of dialogue between the government and many players in the sector as a means to discuss the best way forward for the Brazilian electric sector.

1.6. Auction of public offer of shares.

According to the relevant fact disclosed on July 28, 2017, the auction of the public offering for the acquisition of up to the completion of the Company's outstanding common and preferred shares held by the Company was successfully performed by China Three Gorges (Luxembourg) Energy S.À.R.L. (“Offeror”).

As a result of the Auction, the Offeror acquired on the date of the financial settlement of the Offer, July 28, 2017, one million, seventy thousand and seven hundred (1,070,700) preferred shares issued by the Company, representing one point thirteen percent (1.13%) of the Company’s total capital. The shares were purchased at a unit value of twenty-seven point fifty-eight cents (27.58), amounting to twenty-nine million, five hundred and thirty thousand, nine hundred and six Brazilian *Reais* (BRL 29,530,906.00).

Thus, the offeror, as Company’s indirect controlling company, began to hold indirectly after the financial settlement of the Offer ninety-nine point zero six percent (99.06%) of the common shares and ninety-three point seventeen percent (93.17%) of the preferred shares issued by the Company and ninety-six point nineteen percent (96.19%) of the total capital of the Company, according to the provisions of the following paragraph.

In addition, as stated in item 7.5 of the Public Notice, one third (1/3) of the Shares subject-matter of this Offer will be transmitted to HUKAI CLEAN ENERGY S.À.R.L. (Clai), for the same price offered under the scope of the Offer, that is, twenty-seven Brazilian *Reais* and fifty-eight cents (BRL 27.58) per share, reason why the final participation of the Offer in the Company's total capital shall be further amended ("Subsequent Transfer").

Once the Subsequent Transfer is made, the Offeror will indirectly hold ninety-five point eighty-one percent (95.81%) of the Company's total capital.

1.7. Approval of the financial statements

The issuance of these financial statements was approved by the Company's Board of Directors on November 9, 2017.

2. SUMMARY OF THE PRINCIPAL ACCOUNTING POLICIES AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1. Basis for preparation

Individual and consolidated financial statements

The interim financial statements were prepared according to Technical Pronouncement CPC 21 (R1) – "Interim Statements" and with IAS 34 – "Interim Financial Reporting", issued by the IASB, and presented in a form that is compliant with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR).

Consequently, as described in Circular Letter CVM/SNC/SEP 03/2011, the Company opted to present the notes to this quarterly information in a summarized manner in those cases of redundancy of the information presented in the annual financial statements. In these cases, we have included a reference to the full note to the annual financial statements to avoid any misunderstanding of the financial position and the individual and consolidated performance of the Company and its controlled company for an interim period.

The Management of the Company confirms that all relevant information related to the quarterly information, and only such information, is being evidenced, and correspond to that used by the management of the Company.

The Management states that the basis for preparation and the accounting policies are the same as those used in the annual financial statements for 2016. The related information is disclosed in Notes 2.1 to 2.23 to the financial statements mentioned.

The Controlling Company is evaluating the new pronouncements and interpretations of CPC/IFRS related to IFRS 9 and IFRS 15, in effect from January 1, 2018, and the new amendments to IFRS 16, in effect from January 1, 2019.

This evaluation will continue up to the implementation of the new standards, and any effects that might be recognized will be disclosed in due course.

2.2. Consolidation

Consolidated financial statements

The following are the accounting practices adopted for the preparation of the consolidated financial statements.

A Controlled Company is an entity over which the Controlling Company has the power to determine financial and operating policies, while also holding more than half of the voting rights thereof (voting capital). The Controlled Company is consolidated from the date on which control is transferred to the Controlling Company. Consolidation is interrupted from the date on which that control ceases.

Transactions between the companies, balances and gains not realized in transactions between the companies are eliminated. Unrealized losses are also eliminated, unless the operation provides evidence of impairment of the asset being transferred. The Controlled Company's accounting policies are changed as needed to ensure consistency with the policies adopted by the Company.

On September 30, 2017, the Company held control over Rio Sapucaí-Mirim Energia Ltda., as described in Note 10.

2.3. Concession agreements

								Controlling Company
ANEEL Concession Agreement	Plant	Type	State	River	Installed Capacity (MW)	Assured Energy (average MW)	Initial term of the Concession	Maturity Concession
76/1999	Jurumirim	HPP - Hydroelectric	SP	Paranapanema	101.0	47.0	09/22/1999	09/21/2029
76/1999	Chavantes	HPP - Hydroelectric	SP	Paranapanema	414.0	177.7	09/22/1999	09/21/2029
76/1999	Salto Grande	HPP - Hydroelectric	SP	Paranapanema	73.8	55.0	09/22/1999	09/21/2029
76/1999	Capivara	HPP - Hydroelectric	SP	Paranapanema	619.0	340.8	09/22/1999	09/21/2029
76/1999	Taquaruçu	HPP - Hydroelectric	SP	Paranapanema	525.0	205.6	09/22/1999	09/21/2029
76/1999	Rosana	HPP - Hydroelectric	SP	Paranapanema	354.0	182.7	09/22/1999	09/21/2029
183/1998	Canoas I	HPP - Hydroelectric	SP	Paranapanema	82.5	57.0	07/30/1998	07/29/2033
183/1998	Canoas II	HPP - Hydroelectric	SP	Paranapanema	72.0	48.0	07/30/1998	07/29/2033
					2,241.3	**1,113.8**		

The information related to concession agreements is the same as that described in Note 2.13.1 to the annual financial statements for 2016.

2.4. Authorizing Resolutions

								Controlled Company
ANEEL Authorization Resolution	Plant	Type	State	River	Installed Capacity (MW)	Assured Energy (average MW)	Initial term of the Authorization	Maturity Authorization
549/2002	Retiro	SPP - Hydroelectric	SP	Sapucaí	16.0	8.1	10/10/2002	10/09/2032
706/2002	Palmeiras	SPP - Hydroelectric	SP	Sapucaí	16.5	8.1	12/18/2002	12/17/2032
					32.5	**16.2**		

The information related to the authorizing resolutions is the same as that described in Note 2.13.2 to the annual financial statements of 2016.

2.5. Impairment of non-financial assets

The Company declares that the information on the impairment of non-financial assets described in the annual financial statements for 2016 is the same as that included in this quarterly information (ITR), as presented in Note 2.14 to those financial statements.

3. KEY ESTIMATES AND CRITICAL ACCOUNTING JUDGMENTS

The Company hereby declares that the key estimates and critical accounting judgments described in the 2016 annual financial statements are applicable to this ITR, as presented in Note 3 to those financial statements.

4. BUSINESS RISK MANAGEMENT

The information on the financial risk factors described in the 2016 annual financial statements is applicable to this ITR, as presented in Note 4 to those financial statements, except for the sensitivity analysis and capital management, as described below:

4.1. Sensitivity analysis

The Company and its controlled company, in accordance with item 40 of CPC 40 (R1) – "Financial Instruments". As evidence, the statement of sensitivity analysis for each type of market risk considered relevant by Management is disclosed, arising from financial instruments comprised of debentures, loans and cash and cash equivalents, to which the Company and its controlled company are exposed at the end of the fiscal year.

The sensitivity of the probable scenario was calculated taking into consideration the variance in the rates and indices for the last 12 months, and also took into consideration four other scenarios, with favorable and unfavorable stresses of 25% and 50% on interest rates and floating indices compared to the probable scenario.

The following table shows the impacts on the finance income for the Controlling Company and Consolidated in the five scenarios estimated for the next 12 months:

Debt			Controlling Company					
Debentures	Issue	Indexer	09/30/2017	Scenario - Δ 50%	Scenario - Δ 25%	Scenario Probable	Scenario + Δ 25%	Scenario + Δ 50%
	4th T1	CDI + 0.65% p.y.	(84,903)	(5,446)	(7,893)	(10,341)	(12,789)	(15,236)
	4th T2	IPCA + 6.07% p.y.	(330,536)	(24,261)	(26,360)	(28,459)	(30,558)	(32,657)
	5th T1	CDI + 0.89% p.y.	(164,673)	(10,958)	(15,706)	(20,452)	(25,199)	(29,946)
	5th T2	IPCA + 7.01% p.y.	(303,473)	(25,128)	(27,054)	(28,982)	(30,909)	(32,836)
	6th	CDI + 2.00% p.y.	(160,265)	(12,445)	(17,064)	(21,684)	(26,303)	(30,923)
	7th T1	CDI + 0.40% p.y.	(219,286)	(13,519)	(19,840)	(26,161)	(32,482)	(38,803)
	7th T2	IPCA + 5.90% p.y.	(199,158)	(14,280)	(15,544)	(16,809)	(18,074)	(19,338)
			(1,462,294)	**(106,037)**	**(129,461)**	**(152,888)**	**(176,314)**	**(199,739)**
Cash and cash equivalents		CDI	910,907	52,515	78,772	105,028	131,284	157,541
Total net exposure			**(551,387)**	**(53,522)**	**(50,689)**	**(47,860)**	**(45,030)**	**(42,198)**

Debt			Consolidated					
Debentures	Issue	Indexer	09/30/2017	Scenario - Δ 50%	Scenario - Δ 25%	Scenario Probable	Scenario + Δ 25%	Scenario + Δ 50%
	4th T1	CDI + 0.65% p.y.	(84,903)	(5,446)	(7,893)	(10,341)	(12,789)	(15,236)
	4th T2	IPCA + 6.07% p.y.	(330,536)	(24,261)	(26,360)	(28,459)	(30,558)	(32,657)
	5th T1	CDI + 0.89% p.y.	(164,673)	(10,958)	(15,706)	(20,452)	(25,199)	(29,946)
	5th T2	IPCA + 7.01% p.y.	(303,473)	(25,128)	(27,054)	(28,982)	(30,909)	(32,836)
	6th	CDI + 2.00% p.y.	(160,265)	(12,445)	(17,064)	(21,684)	(26,303)	(30,923)
	7th T1	CDI + 0.40% p.y.	(219,286)	(13,519)	(19,840)	(26,161)	(32,482)	(38,803)
	7th T2	IPCA + 5.90% p.y.	(199,158)	(14,280)	(15,544)	(16,809)	(18,074)	(19,338)
			(1,462,294)	**(106,037)**	**(129,461)**	**(152,888)**	**(176,314)**	**(199,739)**
Cash and cash equivalents		CDI	983,117	56,677	85,015	113,353	141,691	170,029
Total net exposure			**(479,177)**	**(49,360)**	**(44,446)**	**(39,535)**	**(34,623)**	**(29,710)**

Indexes Variance	Scenario - Δ 50%	Scenario - Δ 25%	Scenario Probable	Scenario + Δ 25%	Scenario + Δ 50%
IPCA	1.27%	1.91%	2.54%	3.18%	3.81%
CDI	5.77%	8.65%	11.53%	14.41%	17.30%

4.2. Capital Management

	Controlling Company		Consolidated	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Loans (see Note 17)	-	230,228	-	230,228
Debentures (see Note 16)	1,462,294	1,297,523	1,462,294	1,297,523
Cash and cash equivalents (see Note 6)	(910,907)	(798,120)	(983,117)	(852,563)
Net debt	**551,387**	**729,631**	**479,177**	**675,188**
Shareholders' equity	1,981,628	1,771,988	1,981,628	1,771,988
Total capital	**2,533,015**	**2,501,619**	**2,460,805**	**2,447,176**
Financial leverage ratio (%)*	**21.8**	**29.2**	**19.5**	**27.6**

* Net debt/ total capital

The activity in the Capital Management balance are the result of regular changes in the period.

4.3. Estimate of fair value

The Company declares that the information on how the fair value estimate is determined, as described in the 2016 annual financial statements, is applicable to this ITR, as presented in Note 4.3 to those financial statements.

5. CREDIT QUALITY OF FINANCIAL ASSETS

The quality credit of the financial assets that are not overdue can be assessed with reference to external credit ratings, according to the table below:

		Cash and cash equivalents			
Standard & Poor's	Moody's	Controlling Company		Consolidated	
		09/30/2017	12/31/2016	09/30/2017	12/31/2016
B	BR-1	900,128	639,367	960,803	685,078
B	-	10,776	158,750	22,311	167,482
*	*	3	3	3	3
		910,907	**798,120**	**983,117**	**852,563**

* As at September 30, 2017, the balance of BRL 3 (BRL 3 as at December 31, 2016) refers to cash fixed funds, and therefore it does not have a risk rating.

6. CASH AND CASH EQUIVALENTS

	Controlling Company		Consolidated	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Cash and banks	411	410	674	1,015
Financial investments				
Bank deposit certificate (CDB)	910,394	797,616	982,164	851,289
Fixed-income fund	102	94	279	259
	910,907	**798,120**	**983,117**	**852,563**

Financial investments correspond to transactions involving bank deposit certificates and fixed-income investment funds, which are carried out with institutions operating in the domestic financial market and contracted at regular market conditions and rates, which are highly liquid, pose low credit risk and yield interest based on market rates.

The characteristics of the balances are the same as described in Note 6 to the 2016 annual financial statements.

7. TRADE RECEIVABLES

	Controlling Company					
	09/30/2017			12/31/2016		
	Current	Non-current	Total	Current	Non-current	Total
Receivables from bilateral agreements	112,526	204	112,730	118,376	285	118,661
Receivables from auction agreements	2,862	-	2,862	4,381	-	4,381
Short-term electric power (MRE/MCP)	21,400	-	21,400	13,206	-	13,206
	136,788	**204**	**136,992**	**135,963**	**285**	**136,248**
Estimate for doubtful accounts	-	(204)	(204)	(2,592)	(285)	(2,877)
	136,788	**-**	**136,788**	**133,371**	**-**	**133,371**

	Consolidated					
	09/30/2017			12/31/2016		
	Current	Non-current	Total	Current	Non-current	Total
Receivables from bilateral agreements	115,380	332	115,712	120,891	413	121,304
Receivables from auction agreements	2,862	-	2,862	4,381	-	4,381
Short-term electric power (MRE/MCP)	21,402	-	21,402	13,212	-	13,212
	139,644	**332**	**139,976**	**138,484**	**413**	**138,897**
Estimate for doubtful accounts	-	(332)	(332)	(2,592)	(413)	(3,005)
	139,644	**-**	**139,644**	**135,892**	**-**	**135,892**

Detailed by maturity of trade receivables balances:

	Controlling Company		Consolidated	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Balances to become overdue	136,788	133,371	139,644	135,892
up to 90 days	-	686	-	686
from 91 to 365 days	-	1,906	-	1,906
for more than 365 days	204	285	332	413
	136,992	**136,248**	**139,976**	**138,897**

Activity of estimate for doubtful accounts (“ECLD”):

	Controlling Company	Consolidated
Balance at December 31, 2016	**(2,877)**	**(3,005)**
Constitution	(33,119)	(33,136)
Reversal	35,792	35,809
Balance at September 30, 2017	**(204)**	**(332)**

The variance on the balance of “estimates for doubtful accounts” derives mainly from the reversal on the settlement of the receipt of commercialized power in the Regulated Contracting Framework (ACR).

The other variances in the balance of Trade Receivables arise from normal activity in this period. All information on trade receivables is described in Note 7 to the 2016 annual financial statements.

8. RECOVERABLE/PAYABLE TAXES

The Controlled Company has opted for the deemed profit tax regime.

Variances in the balance of Recoverable/Payable Taxes arise from normal activity in this period, and the complete information thereon is disclosed in Notes 8 and 8.1 to the 2016 annual financial statements.

8.1. Tax benefit - Merged goodwill

The Company recognized a provision to keep the integrity of equity, the reversal of which will neutralize the effects arising from the amortization of goodwill on the balance sheet. The composition of the balance is as follows:

	Controlling Company and Consolidated			
	09/30/2017			12/31/2016
	Goodwill	Provision	Net Value	Net Value
Balances from incorporation (Note 23.2)	305,406	(201,568)	103,838	103,838
Realization	(240,646)	158,822	(81,824)	(79,350)
Balances at the end of the period	**64,760**	**(42,746)**	**22,014**	**24,488**

Net amount corresponding to the tax benefit - income tax and social contribution:

	Controlling Company and Consolidated	
	09/30/2017	09/30/2016
Amortization of goodwill	(7,277)	(8,151)
Provision reversal	4,803	5,380
Tax benefit	2,474	2,771
Net effect for the period	**-**	**-**

Realization of the tax benefit related to the merged goodwill of Duke Sudeste.

	Controlling Company and Consolidated							
	2017	2018	2019	2020	2021	2022 - 2025	2026 and after	Total
Estimated realization	825	2,946	2,630	2,348	2,097	6,367	4,801	**22,014**

Variances in the balance of Tax Benefit - Merged Goodwill arise from the normal activity in the current period, and complete information thereon is disclosed in Note 8.2 to the 2016 annual financial statements.

9. LEGAL DEPOSITS

a) Breakdown

	Controlling Company and Consolidated	
	09/30/2017	12/31/2016
Environmental	6,202	5,875
Tax:	10,593	10,058
IPTU (Municipality of *Primeiro de Maio*)	1,550	1,471
Debits under claim on IRRF, IRPJ and CSLL	136	129
Debits under claim related to PIS, COFINS, IRPJ, CSLL and IOF	8,907	8,458
Tusd-g	33,592	31,679
	50,387	**47,612**

This line item only includes legal deposits made for appeals, or not, not related to provisions for probable risks (described in Note 20), and all are adjusted for inflation.

The characteristics of the balances are the same as those described in Note 9 to the 2016 annual financial statements.

10. INVESTMENT

a) Controlled Company

Controlled company	Number of quotas	Direct Interest (%)	09/30/2017 Equity Value	12/31/2016 Equity Value
Rio Sapucaí-Mirim Energia Ltda. (former Duke Energy International Geração Sapucai-Mirim Ltda.)	398,617,358	99.99%	220,208	215,216

b) Activity of Controlling Company's investments

	Controlled Company
Balance as at December 31, 2016	**215,216**
Equity result	4,992
Balance as at September 30, 2017	**220,208**

c) Financial information of the Controlled Company

	Controlled Company	
	09/30/2017	12/31/2016
Shareholders' equity	220,208	215,216
Net income for the period	4,992	28,268
Total assets	237,884	221,527
Net revenue for the period	24,708	31,144

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11. PROPERTY, PLANT AND EQUIPMENT

a) Breakdown

	Controlling Company				Depreciation annual average rate
	09/30/2017			12/31/2016	
	Cost	Accumulated depreciation	Net value	Net value	
In service					
Land	213,865	-	213,865	213,865	
Reservoirs, dams and water mains	3,376,093	(1,289,812)	2,086,282	2,190,973	4.5%
Buildings, civil construction and improvements	454,849	(190,682)	264,168	283,584	3.4%
Machinery and equipment	913,944	(349,260)	564,685	536,226	4.8%
Vehicles	7,182	(3,249)	3,930	5,264	13.5%
Furniture and fixtures	1,477	(1,173)	304	374	4.4%
(-) Reserve - Canoas I and II plants	(200,675)	-	(200,675)	(200,675)	
	4,766,735	**(1,834,176)**	**2,932,559**	**3,029,611**	
In progress					
Land	1,046	-	1,046	1,046	
Reservoirs, dams and water mains	586	-	586	3,067	
Buildings, civil construction and improvements	721	-	721	214	
Machinery and equipment	70,572	-	70,572	95,310	
Vehicles	121	-	121	-	
	73,046	**-**	**73,046**	**99,735**	
	4,839,781	**(1,834,176)**	**3,005,605**	**3,129,346**	
(-) Special obligations (see Note 21)	(1,508)	436	(1,072)	(1,035)	
	4,838,273	**(1,833,740)**	**3,004,533**	**3,128,311**	

	Consolidated				Depreciation annual average rate
	09/30/2017			12/31/2016	
	Cost	Accumulated depreciation	Net value	Net value	
In service					
Land	223,698	-	223,698	223,271	
Reservoirs, dams and water mains	3,611,091	(1,310,514)	2,300,578	2,408,716	4.3%
Buildings, civil construction and improvements	492,412	(194,247)	298,165	318,189	3.3%
Machinery and equipment	1,035,657	(364,634)	671,022	645,257	4.6%
Vehicles	7,242	(3,292)	3,950	5,289	13.5%
Furniture and fixtures	1,610	(1,203)	407	484	4.6%
(-) Reserve - Canoas I and II plants	(200,675)	-	(200,675)	(200,675)	
	5,171,035	**(1,873,890)**	**3,297,145**	**3,400,531**	
In progress					
Land	10,666	-	10,666	10,960	
Reservoirs, dams and water mains	586	-	586	3,067	
Buildings, civil construction and improvements	1,319	-	1,319	248	
Machinery and equipment	70,572	-	70,572	95,384	
Vehicles	121	-	121	-	
Furniture and fixtures	-	-	-	98	
	83,264	**-**	**83,264**	**109,757**	
Loss due to the non-recoverability of the assets	(219,466)	-	(219,466)	(219,504)	
	5,034,833	**(1,873,890)**	**3,160,943**	**3,290,784**	
(-) Special obligations (see Note 21)	(1,508)	436	(1,072)	(1,035)	
	5,033,325	**(1,873,454)**	**3,159,871**	**3,289,749**	

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b) Activities of property, plant and equipment

	Controlling Company					
	Net value on 12/31/2016	Additions	Depreciation	Write-offs	Reclassification and transfer	Net value on 09/30/2017
Land	214,911	-	-	-	-	214,911
Reservoirs, dams and water mains	2,194,040	2,655	(112,849)	(574)	3,596	2,086,868
Buildings, civil construction and improvements	283,798	721	(11,759)	(7,917)	46	264,889
Machinery and equipment	631,535	53,854	(33,026)	(13,633)	(3,473)	635,257
Vehicles	5,264	121	(726)	(608)	-	4,051
Furniture and fixtures	473	89	(49)	(40)	(169)	304
(-) Reserve - Canoas I and II plants	(200,675)	-	-	-	-	(200,675)
	3,129,346	**57,440**	**(158,409)**	**(22,772)**	**-**	**3,005,605**
(-) Special obligations (see Note 21)	(1,035)	(146)	98	11	-	(1,072)
	3,128,311	**57,294**	**(158,311)**	**(22,761)**	**-**	**3,004,533**

	Consolidated					
	Net value on 12/31/2016	Additions	Depreciation	Write-offs	Reclassification and transfer	Net value on 09/30/2017
Land	234,230	134	-	-	-	234,364
Reservoirs, dams and water mains	2,411,783	2,655	(116,462)	(574)	3,762	2,301,164
Buildings, civil construction and improvements	318,437	1,285	(12,367)	(7,917)	46	299,484
Machinery and equipment	740,641	54,094	(35,819)	(13,683)	(3,639)	741,594
Vehicles	5,290	121	(732)	(608)	-	4,071
Furniture and fixtures	582	89	(55)	(40)	(169)	407
(-) Reserve - Canoas I and II plants	(200,675)	-	-	-	-	(200,675)
	3,510,288	**58,378**	**(165,435)**	**(22,822)**	**-**	**3,380,409**
Loss due to the non-recoverability of the assets (CPC 01)	(219,504)	-	-	37	-	(219,466)
	3,290,784	**58,378**	**(165,435)**	**(22,785)**	**-**	**3,160,943**
(-) Special obligations (see Note 20)	(1,035)	(146)	98	11	-	(1,072)
	3,289,749	**58,232**	**(165,337)**	**(22,774)**	**-**	**3,159,871**

The additional depreciation expense, calculated based on the adjustments to the deemed cost in the periods ended September 30, 2017 and 2016 amounted to BRL 76,036 and BRL 78,488, respectively. The other information on the deemed cost of property, plant and equipment is described in Note 11.1 to the 2016 annual financial statements.

The other variances in the balances of property, plant and equipment arise from normal activity in this period. All information on property, plant and equipment is described in Note 11 to the 2016 annual financial statements.

12. INTANGIBLE ASSETS

The balance of intangible assets as of September 30, 2017 consist of software licenses, right of way, operating license renewals and the Use of Public Assets (UBP).

a) Breakdown

	Controlling Company				Amortization annual average rate
	09/30/2017			12/31/2016	
	Cost	Accumulated amortization	Net value	Net value	
In services					
UBP	53,494	(30,826)	22,668	24,056	3.5%
Software	31,026	(22,757)	8,269	3,931	4.9%
Right of way	75	-	75	75	
	84,595	**(53,583)**	**31,012**	**28,062**	
In progress					
Software	1,759	-	1,759	739	
	1,759	**-**	**1,759**	**739**	
	86,354	**(53,583)**	**32,771**	**28,801**	
(-) Special obligations (see Note 21)	(2,208)	1,768	(440)	(723)	
	84,146	**(51,815)**	**32,331**	**28,078**	

	Consolidated				Amortization annual average rate
	09/30/2017			12/31/2016	
	Cost	Accumulated amortization	Net value	Net value	
In services					
UBP	53,497	(30,826)	22,671	24,056	3.5%
Renewal of operational leasing (LO)	4,235	(823)	3,412	-	25.9%
Software	31,091	(22,804)	8,287	3,959	4.9%
Right of way	262	-	262	262	
	89,085	**(54,453)**	**34,632**	**28,277**	
In progress					
Software	1,759	-	1,759	739	
Right of way	14	-	14	17	
	1,773	**-**	**1,773**	**756**	
	90,858	**(54,453)**	**36,405**	**29,033**	
(-) Special obligations (see Note 21)	(2,208)	1,768	(440)	(723)	
	88,650	**(52,685)**	**35,965**	**28,310**	

b) Movements in intangible assets

	Controlling Company			
	Net value on 12/31/2016	Additions	Amortization	Net value on 09/30/2017
UBP	24,056	-	(1,388)	22,668
Software	4,670	6,491	(1,133)	10,028
Right of way	75	-	-	75
	28,801	**6,491**	**(2,521)**	**32,771**
(-) Special obligations (see Note 21)	(723)	-	283	(440)
	28,078	**6,491**	**(2,238)**	**32,331**

	Consolidated				
	Net value on 12/31/2016	Additions	Amortization	Reclassification and transfer	Net value on 09/30/2017
UBP	24,056	-	(1,388)	3	22,671
Renewal of operational leasing (LO)	-	4,235	(823)	-	3,412
Software	4,698	6,491	(1,143)	-	10,046
Right of way	279	-	-	(3)	276
	29,033	**10,726**	**(3,354)**	**-**	**36,405**
(-) Special obligations (see Note 21)	(723)	-	283	-	(440)
	28,310	**10,726**	**(3,071)**	**-**	**35,965**

The additions to intangible assets are related to the acquisition of software license which were owned by the Controlling Company (see Note 1.1). Besides, the Controlled Company has a commitment to Companhia Ambiental do Estado de São Paulo (CETESB) related to the reforestation of 676 hectares which were capitalized during the current period.

13. TRADE PAYABLES

	Controlling Company					
	09/30/2017			12/31/2016		
	Current	Non-Current	Total	Current	Non-Current	Total
Electric power supply	519,261	-	519,261	323,026	-	323,026
Contracted services and materials	20,316	-	20,316	8,096	-	8,096
Charges for the use of electric power grid	12,881	16,842	29,723	12,722	13,960	26,682
Tust	11,722	-	11,722	11,564	-	11,564
Tusd-g	1,144	16,842	17,986	1,138	13,960	15,098
Connection charges	15	-	15	20	-	20
	552,458	**16,842**	**569,300**	**343,844**	**13,960**	**357,804**

	Consolidated					
	09/30/2017			12/312016		
	Current	Non-Current	Total	Current	Non-Current	Total
Electric power supply	530,407	-	530,407	325,865	-	325,865
Contracted services and materials	21,021	-	21,021	8,996	-	8,996
Charges for the use of electric power grid	12,921	16,842	29,763	12,762	13,960	26,722
Tust	11,722	-	11,722	11,564	-	11,564
Tusd-g	1,184	16,842	18,026	1,178	13,960	15,138
Connection charges	15	-	15	20	-	20
	564,349	**16,842**	**581,191**	**347,623**	**13,960**	**361,583**

In the line item “electric power supply”, we have the effect of BRL 324,745 on the Controlling Company and BRL 328,618 on the Consolidated (BRL 206,042 and BRL 208,597, respectively, on December 31, 2016), related to the receipt from the Electric Power Commercialization Chamber (CCEE) related to the preliminary injunction on GSF granted to APINE, according to the description in Note 1. This amount is adjusted based on the IGPM variance (see Note 26). The remaining amount is related to the normal power purchase transaction.

There were no new events related to the legal discussion on the review of the amounts to be paid due to Tusd-g, which are stated net of legal deposits, in non-current liabilities. All information on trade payables is described in Note 13 to the 2016 annual financial statements.

14. ARBITRATION

The out-of-pocket costs incurred during the construction of PCH Retiro were subject to judicial proceeding, filed between the Controlled Company and the contracted company for the construction of the undertaking. In 2012, a ruling was given (Arbitration no. 45/2009), from which the responsibility of each party for such additional costs was defined, remaining solely the final calculation of the correspondent amounts. The Controlled Company considered the total cost of the project, amounts related to any final settlements resulting from this liquidation phase, with an updated balance as at December 31, 2015 amounting to BRL 15,081.

As at January 29, 2016, the Final Arbitration Ruling was rendered, which settled for the payment by the Controlled Company of the amount of BRL 12,503 (base date of December 2014), bearing interest and monetary adjustment at one percent (1%), based on IPCA/IBGE variance, calculated from January 2015, in the total amount of BRL 15,952.

According to the share purchase agreement of the Controlled Company, entered into between the Company and Rio Paranapanema Participações S.A. (previously named Duke Energy International, Brasil Ltda), the latter committed to hold the former harmless in relation to any and all additional amounts from the Arbitration, the reason why the amount of the arbitration award was paid by Rio Paranapanema Participações S.A. to the Controlling Company.

The amounts paid were recorded as a capital reserve, net of tax effects, amounting to BRL 10,529. The Controlled Company made payment of this award on February 12, 2016.

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During the second quarter of 2016, additional payments were made in relation to the arbitration proceedings, recorded as a capital reserve in the amount of BRL 770, net of tax effects.

15. RELATED PARTIES

15.1. Transactions and balances

The Company has expense sharing agreements with the Controlling company Rio Paranapanema Participações. Receivable balances from related parties under these agreements as at September 30, 2017 amounted to BRL 500 (BRL 151 as at December 31, 2016).

To the extent that the Company's and its controlled company's clients require guarantees for commercial transactions, Rio Paranapanema Participações offers such guarantees, with an amount as at September 30, 2017 of BRL 136,083 and BRL 1,823, respectively, (BRL 171,787 and BRL 1,823 as at December 31, 2016). Other significant transactions with related parties refer to the distribution of dividends. The ultimate indirect controlling company is China Three Gorges Corporation, the Chinese power public company.

15.2. Compensation of key management personnel

The table below shows a breakdown of the compensation of key Management personnel:

	Controlling Company and Consolidated			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Short-term benefits for employees and managers	1,212	7,152	2,061	6,030
Post-employment benefits	43	154	76	210
Supervisory board	276	805	252	743
	1,531	**8,111**	**2,389**	**6,983**
Share-based payment	-	-	-	37
	1,531	**8,111**	**2,389**	**7,020**

The Company declares that the information on related parties described in Note 15.3 of the 2016 annual financial statements is valid for this quarterly information report.

16. DEBENTURES

16.1. Breakdown and maturity

a) Breakdown

Issue	Series	Remuneration	Maturity	Controlling Company and Consolidated 09/30/2017 Current Principal	Current Interest, Monetary Variance and (Transaction Costs)	Current Total	Non-Current Principal	Non-Current Interest, Monetary Variance and (Transaction Costs)	Non-Current Total
4th	1	CDI Variance + 0.65% per year	07/16/2018	83,350	1,553	84,903	-	-	-
4th	2	IPCA variance + 6.07% per year	07/16/2023	-	4,075	4,075	250,000	76,461	326,461
5th	1	CDI Variance + 0.89% per year	05/20/2019	79,659	5,598	85,257	79,683	(267)	79,416
5th	2	IPCA Variance + 7.01% per year	05/20/2021	-	7,234	7,234	240,000	56,239	296,239
6th	Single	CDI Variance + 2.00% per year	09/10/2018	160,000	266	160,265	-	-	-
7th	1	CDI Variance + 0.40% per year	08/15/2020	-	417	417	220,000	(1,131)	218,869
7th	2	IPCA Variation + 5.90% per year	08/15/2022	-	285	285	200,000	(1,127)	198,873
				323,009	**19,428**	**342,436**	**989,683**	**130,175**	**1,119,858**

Issue	Series	Remuneration	Maturity	Controlling Company and Consolidated 12/31/2016 Current			Non-Current		
				Principal	Interest, Monetary Variance and (Transaction Costs)	Total	Principal	Interest, Monetary Variance and (Transaction Costs)	Total
3rd	Single	CDI Variance + 1.15% per year	01/10/2017	75,000	5,303	80,303	-	-	-
4th	1	CDI Variance + 0.65% per year	07/16/2018	83,325	10,717	94,042	83,350	(78)	83,272
4th	2	IPCA variance + 6.07% per year	07/16/2023	-	8,739	8,739	250,000	70,213	320,213
5th	1	CDI Variance + 0.89% per year	05/20/2019	79,659	3,536	83,195	159,341	(567)	158,774
5th	2	IPCA Variance + 7.01% per year	05/20/2021	-	12,195	12,195	240,000	50,410	290,410
6th	Single	CDI Variance + 2.00% per year	09/10/2018	-	6,909	6,909	160,000	(529)	159,471
				237,984	47,399	285,383	892,691	119,449	1,012,140

b) Maturity

Long-term maturity	2018-2019	2020	2021	2022	2023	Total
Debentures	176,771	317,879	307,278	208,496	109,434	**1,119,858**

16.2. Activity

	3rd Issue	4th Issue		5th Issue		6th Issue	7th Issue		Total
	Single Series	Series 1	Series 2	Series 1	Series 2	Single Series	Series 1	Series 2	
Balance as at December 31, 2016	**80,303**	**177,314**	**328,952**	**241,969**	**302,605**	**166,380**	**-**	**-**	**1,297,523**
Activity in debentures									
Funding of debentures	-	-	-	-	-	-	220,000	200,000	420,000
Transaction costs	-	-	-	-	-	-	(1,771)	(1,771)	(3,542)
Amortization of transaction costs	-	117	58	300	214	590	49	30	1,358
Interest appropriation	267	12,372	14,909	17,655	15,653	15,265	1,008	638	77,767
Appropriation of monetary variation	-	-	6,190	-	5,614	-	-	261	12,065
Payment of debentures	(75,000)	(83,325)		(79,659)			-	-	(237,984)
Payment of interest	(5,570)	(21,575)	(19,573)	(15,592)	(20,613)	(21,970)	-	-	(104,893)
	(80,303)	**(92,411)**	**1,584**	**(77,296)**	**868**	**(6,115)**	**219,286**	**199,158**	**164,771**
Balance as at September 30, 2017	**-**	**84,903**	**330,536**	**164,673**	**303,473**	**160,265**	**219,286**	**199,158**	**1,462,294**

The main variances in the balance of Debentures resulted from the fundraising from the 7th issue of debentures (Series 1 and 2) (see Note 16.3), compensated by the settlement of the 3rd Issue, by the payment of the installment of the 4th and 5th issues, by the payment of interest of the 4th (series 1 and 2), 5th (series 1 and 2) and 6th (single series) issues that occurred during the period.

The other variances arise from normal activity in this period, information on which is described in Note 16 to the 2016 annual financial statements.

16.3. Seventh Issue of Debentures

On August 15, 2017, the Company raised four hundred and twenty million Brazilian Reais (BRL 420,000) in the market in the form of indebtedness, by means of the 7th public issue of simple debentures, not convertible into shares, registered, book-entry, unsecured and designated for the local market, which have been distributed with restricted efforts, according to CVM Instruction No. 476/2009, aimed exclusively at professional investors.

It was issued in two series, the first of two hundred and twenty thousand (220,000) debentures with a par value of one thousand Brazilian Reais (BRL 1,000) each, with a maturity term of three (3) years, and the second of two hundred thousand (200,000) debentures, with a par value of one thousand Brazilian Reais (BRL 1,000) each, with a maturity term of five (5) years, for a total of four hundred and twenty thousand (420,000) debentures.

The effective release of the funding from the first and second series occurred on September 12, 2017, and there were no interest and monetary variations incurred between the debenture issue date and the effective date of release of the funding.

The offer was issued based on the resolutions: (i) from the Meeting of the Company's Executive Board (RD) held on June 21, 2017; (ii) from the Meeting of the Company's Board of Directors (RCA) held on June 21, 2017; (iii) from the favorable opinion of the Company's Supervisory Board issued on June 22, 2017, and; (iv) on the resolutions of the special general meeting of the Company's shareholders, held on July 17, 2017 (AGE) that approved the proposal presented by Banco Bradesco BBI S.A.

The net proceeds raised by the Company through the Issue shall be used in full to refinance the payments of: (i) the principal of the second amortization installment of the Company's third debentures issuance; (ii) the principal of the second amortization installment of the first series from Company's fourth issue; (iii) the principal of the first amortization installment of the first series from the Company's fifth issue. (iv) the principal of the Company's Bank Credit Note (CCB).

The transaction costs incurred for the fundraising were accounted for as a decrease in the fair value initially recognized, and were considered to determine the interest effective rate, according to CPC 08 – "Transaction Costs and Premiums on the Issuance of Securities".

The covenants provided for in the indenture of the fifth issue of debentures are similar to those contained in the indentures of the fourth, fifth and sixth issues, except for the allowed capital reduction, which shall be similar to or lower than ninety hundredths (0.90).

The compensatory interest from the seventh issue of debentures of the first series corresponds to 100% of the CDI accumulated variance, plus interest of 0.40% p.y. Debentures of the second series will be updated by the IPCA (Amplified Consumer Price Index) variance, plus compensatory interest of 5.90% p.y.

16.4. Financial Covenants

The Controlling Company has met all covenants set forth in the debenture indenture. These clauses are described in Note 16.4 to the 2016 annual financial statements.

16.5. Non-financial covenants

The Controlling Company has met all of the covenants set forth in the debenture indenture. These clauses are described in Note 16.5 to the 2016 annual financial statements.

17. LOANS

17.1. Breakdown and maturity

a) Breakdown

Remuneration	Maturity	Controlling Company and Consolidated					
		09/30/2017			12/31/2016		
		Current			Current		
		Principal	Interest	Total	Principal	Interest	Total
CDI Variance + 1.4% per year	05/05/2017	-	-	-	181,000	49,228	230,228

b) Maturity

As a result of the maturity, the loan was settled in May 2017.

17.2. Activity

Balance as at December 31, 2016	230,228
Interest appropriation	10,426
Payment of interest	(59,654)
Payment of principal	(181,000)
Balance as at September 30, 2017	**-**

The changes in the balance of Loans arises from normal changes in this period, and the complete information is described in Note 17 to the 2016 annual financial statements.

18. CIBACAP - CAPIVARA BASIN INTERCITY CONSORTIUM

	Controlling Company and Consolidated	
	09/30/2017	12/31/2016
Current	890	890
Non-current	9,718	9,936
	10,608	**10,826**

The variations in the balance of Cibacap arise from normal activity in this period, and the complete information of Cibacap is described in Note 18 to the 2016 annual financial statements.

19. PENSION AND RETIREMENT PLAN

In the period ended September 30, 2017, there were no changes in the assumptions used in actuarial valuations.

The table below shows the determined and recognized expenses for the period (see Note 26):

Expense/(revenue) for the period recognized in the income for the quarter

	Controlling Company and Consolidated			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Current service cost	748	2,211	452	1,366
Interest on actuarial obligation	6,375	19,125	5,846	17,538
Expected earnings from the plan's assets	(6,867)	(20,601)	(7,074)	(21,222)
Interest on restricted assets	466	1,398	1,199	3,597
	722	**2,133**	**423**	**1,279**

The changes in the balance of the Pension and Retirement Plan arise from normal activity in this period. All information on the complete information of the pension and retirement plan is described in Note 19 to the 2016 annual financial statements.

20. PROVISIONS FOR TAX, LABOR AND ENVIRONMENTAL RISKS

The Company declares that the information on estimates involving the risk of loss reviewed by outside legal counsel as probable and possible, as described in 2016's annual financial statements, is applicable to this quarterly information, and the complete information is described in Note 20 to those financial statements.

20.1. Provisions for tax, labor and environmental risks

a) Breakdown

	Controlling Company			
	09/30/2017			12/31/2016
	Provision	Legal deposit	Net provisions	Net provisions
Labor	13,268	(3,284)	9,984	9,571
Tax	17,828	(794)	17,034	16,891
Environmental	6,182	(167)	6,015	6,239
	37,278	**(4,245)**	**33,033**	**32,701**

	Consolidated			
	09/30/2017			12/31/2016
	Provision	Legal deposit	Net provisions	Net provisions
Labor	13,708	(3,312)	10,396	9,951
Tax	17,828	(794)	17,034	16,891
Environmental	6,182	(167)	6,015	6,239
	37,718	**(4,273)**	**33,445**	**33,081**

b) Activity in the provision for tax, labor and environmental risks

	Controlling Company			
	Labor	Tax	Environmental	Total
Balance on December 31, 2016	**9,571**	**16,891**	**6,239**	**32,701**
Contingencies				
Provisions for the period	428	-	-	428
Reversals for the period	(162)	-	(313)	(475)
Adjustments of contingencies	821	188	256	1,265
Agreements / payments for the period	(137)	-	-	(137)
	950	**188**	**(57)**	**1,081**
Legal Deposits				
Monetary adjustments	(186)	(45)	-	(231)
(Additions)	(556)	-	(167)	(723)
Write-offs	205	-	-	205
	(537)	**(45)**	**(167)**	**(749)**
Balance on September 30, 2017	**9,984**	**17,034**	**6,015**	**33,033**

	Consolidated			
	Labor	Tax	Environmental	Total
Balance as at December 31, 2016	**9,951**	**16,891**	**6,239**	**33,081**
Contingencies				
Provisions for the period	428	-	-	428
Reversals for the period	(162)	-	(313)	(475)
Adjustments of contingencies	856	188	256	1,300
Agreements / payments for the period	(137)	-	-	(137)
	985	**188**	**(57)**	**1,116**
Legal Deposits				
Monetary adjustments	(189)	(45)	-	(234)
(Additions)	(556)	-	(167)	(723)
Write-offs	205	-	-	205
	(540)	**(45)**	**(167)**	**(752)**
Balance as at September 30, 2017	**10,396**	**17,034**	**6,015**	**33,445**

20.2. Possible contingencies

	Controlling Company		Consolidated	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Labor	15,865	6,817	16,377	8,064
Tax	140,333	134,040	140,333	134,040
Environmental	26,128	23,616	26,128	23,616
Regulatory	96,464	83,260	96,464	83,260
Civil	8,355	6,881	8,355	6,881
	287,145	**254,614**	**287,657**	**255,861**

Other activity in Possible Contingencies arises from normal activity in this period, and the complete information on these possible contingencies is described in Note 20.2 to the 2016 annual financial statements.

21. SPECIAL OBLIGATIONS (*)

	Controlling Company and Consolidated	
	09/30/2017	12/31/2016
From property, plant and equipment (see Note 11)		
Equipment donations (ONS)	532	556
Research and development (R&D)	540	479
	1,072	**1,035**
From intangible assets (See Note 12)		
Research and development (R&D) - Software	440	723
	1,512	**1,758**

(*) Concession-related obligations

See additional comments in Note 21 to the 2016 annual financial statements.

22. REGULATORY CHARGES

The payables arising from charges set out by the power sector law are as follow:

	Controlling Company					
	09/30/2017			12/31/2016		
	Current	No Current	Total	Current	No Current	Total
RGR - Portion of interest	-	-	-	12	-	12
Financial offset from the use of water resources - CFURH	11,923	-	11,923	14,398	-	14,398
Electric Power Service Inspection Fee (TFSEE)	461	-	461	465	-	465
Research and development - R&D	13,210	6,297	19,507	12,940	8,647	21,587
	25,594	**6,297**	**31,891**	**27,815**	**8,647**	**36,462**

	Consolidated					
	09/30/2017			12/31/2016		
	Current	No Current	Total	Current	No Current	Total
RGR - Portion of interest	-	-	-	12	-	12
Financial offset from the use of water resources - CFURH	11,923	-	11,923	14,398	-	14,398
Electric Power Service Inspection Fee (TFSEE)	467	-	467	472	-	472
Research and development - R&D	13,210	6,297	19,507	12,940	8,647	21,587
	25,600	**6,297**	**31,897**	**27,822**	**8,647**	**36,469**

See additional comments in note 22 to the 2016 annual financial statements.

23. SHAREHOLDERS' EQUITY

23.1. Capital

As at September 30, 2017, the authorized capital of the Controlling Company amounted to BRL 2,355,580, of which BRL 785,193 is made up of common shares and BRL 1,570,387 is preferred shares, all registered, book-entry and without par value.

The subscribed and paid-in capital is BRL 839,138 (BRL 839,138 as at December 31, 2016) represented by ninety-four million, four hundred and thirty-three thousand, two hundred and eighty-three (94,433,283) shares, thirty-one million, four hundred and seventy-seven thousand, seven hundred and sixty-one (31,477,761) of which are common shares and sixty-two million, nine hundred and fifty-five thousand, five hundred and twenty-two (62,955,522) of which are preferred shares, all registered, book-entry and without par value.

	Equity position on December 30, 2017 (In thousands of shares)					
	Common	%	Preferred	%	Total	%
Shareholders						
Rio Paranapanema Participações S.A.	31,181	99.06	57,850	91.89	89,031	94.28
China Three Gorges Luxembourg Energy SARL RV	-	-	1,071	1.70	1,071	1.13
Vinci Gas Dividendos Fundo de Investimento em ações	3	0.01	1,019	1.62	1,022	1.08
Duke Energy International Brazil Holdings S.A.R.L.	-	-	735	1.17	735	0.78
Other individuals and legal entities	294	0.93	2,280	3.62	2,574	2.73
	31,478	**100.00**	**62,955**	**100.00**	**94,433**	**100.00**

See additional comments in Note 23.1 to the 2016 annual financial statements.

23.2. Capital Reserves

	Controlling Company and Consolidated	
	09/30/2017	12/31/2016
Goodwill on the issue of shares	468	468
Spin-off account	(6,418)	(6,418)
Premium on downstream merger of controlling company (see Note 8.1)	103,838	103,838
Share-based payment	1,720	1,720
Special reserve - Corporate reorganization - Acquisition of Duke Energy Int. Geração Sapucai-Mirim Ltda.	17,196	17,196
	116,804	**116,804**

23.3. Earnings Reserves

	Controlling Company and Consolidated	
	03/30/2017	12/31/2016
Legal reserve	150,471	150,471
Pension plan	6,264	5,282
	156,735	**155,753**

23.4. Retained Earnings

a) Breakdown of retained earnings

	Controlling Company and Consolidated
	09/30/2017
Net income for the period	215,478
Depreciation (deemed cost)	76,033
Write- offs (deemed cost)	9,603
Deferred IRPJ/CSLL (deemed cost)	(29,116)
	271,998

b) Breakdown of dividends and interest on equity payable

	Controlling Company and Consolidated	
	09/30/2017	12/31/2016
Proposed dividends	-	173,710
Interest on equity, payable	521	53,411
Dividends and interest on equity and capital reduction held in custody	2,794	1,571
	3,315	**228,692**

See additional comments in Note 23.4 to the 2016 annual financial statements.

23.5. Valuation adjustments to equity

	Controlling Company and Consolidated		
	Deemed cost	Pension plan	Total
Balance as at December 31, 2016	**660,293**	-	**660,293**
Realization of valuation adjustments to equity			
Depreciation adjustment of previous fiscal years	(6,820)	-	(6,820)
Depreciation	(76,033)	-	(76,033)
Write-off	(9,603)	-	(9,603)
Deferred IRPJ/CSLL	29,116	-	29,116
	(63,340)	**-**	**(63,340)**
Comprehensive income			
Actuarial gains on defined benefit pension plan	-	1,488	1,488
Deferred income tax and social contribution on actuarial gains	-	(506)	(506)
	-	**982**	**982**
Reclassifications of net actuarial gains - CPC 33 (R1)	-	(982)	(982)
Balance as at September 30, 2017	**596,953**	**-**	**596,953**

The write-offs presented reflect the write-offs on items recorded from the revaluation of the asset following the initial adoption of the IFRS.

24. NET OPERATING REVENUE

	Controlling Company			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Electric power supply				
Receivables from bilateral agreements	341,551	996,229	336,605	982,687
Receivables from auction agreements	8,503	25,871	17,695	62,088
Short-term market - MCP	2,348	154,985	4,625	1,030
Electric Power Reallocation Mechanism (MRE)	21,674	36,689	18,237	54,786
	374,076	**1,213,774**	**377,162**	**1,100,591**
Other revenue	77	300	63	245
	374,153	**1,214,074**	**377,225**	**1,100,836**
Deductions to operating revenue				
PIS and COFINS	(35,745)	(104,013)	(32,082)	(97,778)
ICMS	(5,533)	(16,456)	(5,069)	(14,724)
R&D	(3,138)	(10,391)	(3,087)	(8,954)
	(44,416)	**(130,860)**	**(40,238)**	**(121,456)**
Net operating revenue	**329,737**	**1,083,214**	**336,987**	**979,380**

	Consolidated			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Electric power supply				
Receivables from bilateral agreements	350,348	1,021,151	343,914	1,007,235
Receivables from auction agreements	8,503	25,871	17,695	62,088
Short-term market - MCP	2,364	155,707	4,721	1,151
Electric Power Reallocation Mechanism (MRE)	21,674	36,703	18,242	55,085
	382,889	**1,239,432**	**384,572**	**1,125,559**
Other revenue	77	300	63	245
	382,966	**1,239,732**	**384,635**	**1,125,804**
Deductions to operating revenue				
PIS and COFINS	(36,072)	(104,963)	(32,367)	(98,737)
ICMS	(5,533)	(16,456)	(5,069)	(14,724)
R&D	(3,138)	(10,391)	(3,087)	(8,954)
	(44,743)	**(131,810)**	**(40,523)**	**(122,415)**
Net operating revenue	**338,223**	**1,107,922**	**344,112**	**1,003,389**

25. ELECTRIC POWER SOLD AND PURCHASED AND POWER GRID CHARGES

25.1. Electric power sold

	Controlling Company			
	07/01/2017 to 09/30/2017		07/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	1,945,395	341,551	1,904,032	336,605
Receivables from auction agreements	53,875	8,503	118,539	17,695
Short-term market - MCP	3,787	2,348	-	4,625
Electric Power Reallocation Mechanism (MRE)	1,981,192	21,674	1,534,518	18,236
	3,984,249	**374,076**	**3,557,089**	**377,161**

	Controlling Company			
	01/01/2017 to 09/30/2017		01/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	5,676,148	996,229	5,831,164	982,687
Receivables from auction agreements	163,918	25,871	417,506	62,087
Short-term market - MCP	728,247	154,985	(31,675)	1,030
Electric Power Reallocation Mechanism (MRE)	3,703,013	36,689	4,531,239	54,787
	10,271,326	**1,213,774**	**10,748,234**	**1,100,591**

	Consolidated			
	07/01/2017 to 09/30/2017		07/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	1,981,228	350,348	1,935,243	343,913
Receivables from auction agreements	53,875	8,503	118,539	17,695
Short-term market - MCP	3,787	2,364	-	4,721
Electric Power Reallocation Mechanism (MRE)	1,981,192	21,674	1,534,604	18,243
	4,020,082	**382,889**	**3,588,386**	**384,572**

	Consolidated			
	01/01/2017 to 09/30/2017		01/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	5,777,987	1,021,151	5,939,681	1,007,235
Receivables from auction agreements	163,918	25,871	417,506	62,087
Short-term market - MCP	732,188	155,707	(32,269)	1,151
Electric Power Reallocation Mechanism (MRE)	3,704,360	36,703	4,556,013	55,086
	10,378,453	**1,239,432**	**10,880,931**	**1,125,559**

(*) Not reviewed by independent auditors

The reduction in the balance of auction contracts was influenced mainly by the termination of customer contracts in the last quarter of 2016.

The table below summarizes the volumes in MWm of the assured energy contracted/expected from the completion of contracts by the Company in the Deregulated Contracting Framework (ACL) and the Regulated Contracting Framework (ACR) as at September 30, 2017:

	Controlling Company		Controlled Company	
	MWm (*)		MWm (*)	
	2017	2016	2017	2016
Electric power available for the sale of	**1,031**	**1,029**	**16**	**16**
ACR	**25**	**55**	**-**	**-**
2016 (3 years)	25	55	-	-
ACL	**755**	**879**	**15**	**16**
Bilateral agreements for sale of electric power	874	879	15	16
Bilateral agreements for purchase of electric power	119	-	-	-
Free electric power for contracting	**250**	**95**	**0**	**0**
Percentage of electric power contracted	75.7%	90.8%	97.2%	100.0%

(*) Not reviewed by independent auditors.

25.2. Electric power purchased for resale

	Controlling Company			
	07/01/2017 to 09/30/2017		07/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	462,840	197,918	-	-
Short-term market (MCP)	143,445	7,414	228,127	31,636
	606,285	**205,332**	**228,127**	**31,636**

	Controlling Company			
	01/01/2017 to 09/30/2017		01/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	724,248	269,788	-	-
Short-term market (MCP)	143,445	8,182	367,581	63,808
	867,693	**277,970**	**367,581**	**63,808**

	Consolidated			
	07/01/2017 to 09/30/2017		07/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	462,840	197,918	-	-
Short-term market (MCP)	152,582	13,094	231,176	32,042
Electric Power Reallocation Mechanism (MRE)	18,515	369	15,694	291
	633,937	**211,381**	**246,870**	**32,333**

	Consolidated			
	01/01/2017 to 09/30/2017		01/01/2016 to 09/30/2016	
	MWh (*)	BRL	MWh (*)	BRL
Receivables from bilateral agreements	724,248	269,788	-	-
Short-term market (MCP)	157,160	15,100	383,713	65,286
Electric Power Reallocation Mechanism (MRE)	32,170	682	11,484	240
	913,578	**285,570**	**395,197**	**65,526**

(*) Not reviewed by independent auditors.

The variance in MCP purchases it was due to the energy purchased in the period not liquidated in their totality at CCEE environmental. Bilateral contracts have been entered into to cover this power energy exposition.

The balance of electric power purchased for resale increased compared to the same period in the previous year, as a result of the need to cover sales due to the unfavorable hydric scenario.

25.3. Charges for the use of the electric power grid

	Controlling Company			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Tust	27,465	79,808	25,817	72,587
Tusd-g	2,904	8,585	2,660	7,846
Connection charges	23	144	61	184
	30,392	**88,537**	**28,538**	**80,617**

	Consolidated			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Tust	27,465	79,808	25,817	72,587
Tusd-g	3,024	8,947	2,777	8,197
Connection charges	23	144	61	184
	30,512	**88,899**	**28,655**	**80,968**

See additional comments in Note 25.3 to the 2016 annual financial statements.

26. FINANCE INCOME

	Controlling Company			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Revenue				
Financial investments	12,140	46,937	17,663	45,090
Monetary variances	5,326	19,398	2,947	8,105
Legal deposits	2,134	6,830	2,946	8,104
Others	-	-	1	1
CIBACAP	73	350	-	-
Monetary adjustment amount related to GSF injunction	3,119	12,218	-	-
Interest and discounts obtained	38	454	129	1,077
	17,504	**66,789**	**20,739**	**54,272**
Expenses				
Interest on debentures	(23,129)	(77,767)	(30,520)	(91,978)
Interest on loans	-	(10,426)	(8,210)	(23,090)
Monetary variances	(5,827)	(25,308)	(11,534)	(61,948)
Debentures	(1,228)	(12,065)	(7,164)	(35,559)
Tusd-g	(1,877)	(6,330)	(2,560)	(7,208)
Provisions for tax, labor and environmental risks	(527)	(1,642)	(570)	(1,961)
Monetary adjustment amount related to GSF injunction	(1,932)	(4,543)	(963)	(15,939)
Others	(263)	(728)	(277)	(1,281)
Interest recovery and monetary adjustment of debentures	-	-	774	774
Pension plan expenses (see Note 19)	(722)	(2,133)	(423)	(1,279)
Other financial expenses	(2,411)	(6,325)	(1,749)	(4,010)
	(32,089)	**(121,959)**	**(51,662)**	**(181,531)**
	(14,585)	**(55,170)**	**(30,923)**	**(127,259)**

	Consolidated			
	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Revenue				
Financial investments	13,613	51,509	19,150	49,103
Monetary variances	5,404	19,657	3,000	8,277
Legal deposits	2,174	6,966	2,999	8,276
Others	-	-	1	1
CIBACAP	73	350	-	-
Monetary adjustment amount related to GSF injunction	3,157	12,341	-	-
Interest and discounts obtained	61	534	169	1,182
	19,078	**71,700**	**22,319**	**58,562**
Expenses				
Interest on debentures	(23,129)	(77,767)	(30,520)	(91,205)
Interest on loans	-	(10,426)	(8,210)	(23,090)
Monetary variances	(5,858)	(25,385)	(11,556)	(63,033)
Debentures	(1,228)	(12,065)	(7,164)	(35,559)
Tusd-g	(1,877)	(6,330)	(4,959)	(7,208)
Provisions for tax, labor and environmental risks	(537)	(1,676)	(585)	(2,072)
Monetary adjustment amount related to GSF injunction	(1,953)	(4,586)	(970)	(16,059)
Others	(263)	(728)	2,122	(2,135)
Interest recovery and monetary adjustment of debentures	-	-	774	-
Pension plan expenses (see Note 19)	(722)	(2,133)	(423)	(1,279)
Other financial expenses	(2,415)	(6,349)	(1,755)	(4,019)
	(32,124)	**(122,060)**	**(51,690)**	**(182,626)**
	(13,046)	**(50,360)**	**(29,371)**	**(124,064)**

27. INCOME TAX AND SOCIAL CONTRIBUTION CALCULATION

A reconciliation between the income tax and social contribution expenses at their nominal and effective rates is presented below:

						Controlling Company
			09/30/2017			09/30/2016
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
Accounting profit before IRPJ and CSLL	**323,166**			**354,805**		
Nominal rate of IRPJ and CSLL	25%	9%	34%	25%	9%	34%
IRPJ and CSLL to rates provided by law	**80,792**	**29,085**	**109,877**	**88,701**	**31,932**	**120,633**
Adjustments for the calculation of the effective rate						
Amortization – charge, inflation creditor	(1,695)	55	(1,640)	(1,695)	55	(1,640)
Non-deductible expenses	1,094	155	1,249	922	172	1,094
Temporary differences on income from previous years	177	64	241	-	-	-
Valuation adjustments to equity from controlled companies	(1,477)	(532)	(2,009)	(2,071)	(746)	(2,817)
Others	(74)	44	(30)	43	4	47
IRPJ and CSLL with effect on income	**78,817**	**28,871**	**107,688**	**85,900**	**31,417**	**117,317**
Current IRPJ and CSLL	185,106	67,135	252,241	127,021	46,221	173,242
Deferred IRPJ and CSLL	(106,289)	(38,264)	(144,553)	(41,121)	(14,804)	(55,925)
Total IRPJ and CSLL with effect on income	**78,817**	**28,871**	**107,688**	**85,900**	**31,417**	**117,317**
Effective tax rate	**24.4%**	**8.9%**	**33.3%**	**24.2%**	**8.9%**	**33.1%**

						Consolidated
			09/30/2017			09/30/2016
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
Accounting profit before IRPJ and CSLL	**325,596**			**357,055**		
Nominal rate of IRPJ and CSLL	25%	9%	34%	25%	9%	34%
IRPJ and CSLL to rates provided by law	**81,399**	**29,304**	**110,703**	**89,264**	**32,135**	**121,399**
Adjustments for the calculation of the effective rate						
Amortization – charge, inflation creditor	(1,695)	55	(1,640)	(1,695)	55	(1,640)
Non-deductible expenses	1,094	155	1,249	922	172	1,094
Temporary differences on income from previous years	177	64	241	-	-	-
Valuation adjustments to equity from controlled companies	(1,477)	(532)	(2,009)	-	-	-
Difference per taxation of deemed income in controlled companies	1,106	498	1,604	(1,053)	(278)	(1,331)
Others	(74)	44	(30)	42	3	45
IRPJ and CSLL with effect on income	**80,530**	**29,588**	**110,118**	**87,480**	**32,087**	**119,567**
Current IRPJ and CSLL	186,820	67,852	254,672	128,601	46,891	175,492
Deferred IRPJ and CSLL	(106,290)	(38,264)	(144,554)	(41,121)	(14,804)	(55,925)
Total IRPJ and CSLL with effect on income	**80,530**	**29,588**	**110,118**	**87,480**	**32,087**	**119,567**
Effective tax rate	**24.7%**	**9.1%**	**33.8%**	**24.5%**	**9.0%**	**33.5%**

The Controlled Company has chosen the deemed profit tax regime and does not have a provision for Deferred Income Tax and Social Contribution.

The variances in the balances of Current and Deferred Income Tax and Social Contribution arise from normal activity in this period, and the complete information thereon is disclosed in Note 8.3 to the 2016 annual financial statements.

28. EARNINGS PER SHARE

The basic and diluted earnings per share are calculated by dividing the net income for the period attributable to the holders of the Company’s common and preferred shares by the weighted average number of common and preferred shares outstanding during the period.

The table below presents information on the income and shares used to calculate the basic and diluted earnings per share:

	07/01/2017 to 09/30/2017	01/01/2017 to 09/30/2017	07/01/2016 to 09/30/2016	01/01/2016 to 09/30/2016
Numerator				
Net income for the period attributed to shareholders of the Company				
Preferred	(14,528)	143,652	55,920	158,326
Common	(7,265)	71,826	27,960	79,163
	(21,793)	**215,478**	**83,880**	**237,489**
Denominator (weighted average number of shares)				
Preferred	62,955	62,955	62,955	62,955
Common	31,478	31,478	31,478	31,478
	94,433	**94,433**	**94,433**	**94,433**
Basic and diluted earnings per share				
Preferred	**(0.23077)**	**2.28181**	**0.88825**	**2.51488**
Common	**(0.23077)**	**2.28181**	**0.88825**	**2.51488**

29. FINANCIAL INSTRUMENTS

The Company declares that the information on financial instruments described in the 2016 annual financial statements is the same as that included in this quarterly information (ITR), as presented in Note 28 to those financial statements.

29.1. Financial instruments in the balance sheet:

The Company's main financial instruments are represented by:

Type	Classification	Hierarchy of the fair value (see Note 2.1)	09/30/2017		12/31/2016	
			Carrying Amount	Market Value	Carrying Amount	Market Value
Assets						
Cash and cash equivalents	Loans and receivables		983,117	983,117	852,563	852,563
Trade receivables	Loans and receivables		139,644	139,644	135,892	135,892
			1,122,761	**1,122,761**	**988,455**	**988,455**
Liabilities						
Trade payables	Other financial liabilities		564,349	564,349	347,622	347,622
Dividends and interest on equity	Other financial liabilities		3,315	3,315	228,692	228,692
Regulatory charges	Other financial liabilities		31,897	31,897	36,469	36,469
Debentures	Other financial liabilities	Level 2	1,462,294	1,493,883	1,297,523	1,237,089
Loan	Other financial liabilities	Level 2	-	-	230,228	188,298
			2,061,855	**2,093,444**	**2,140,534**	**2,038,170**

The Company did not carry out derivative transactions in the fiscal year of 2016 and in the nine month period ended September 30, 2017. There is also no exposure to currency fluctuations since the Company does not carry out transactions in foreign currencies.

29.2. Liquidity risk

Issue	Series	Remuneration	Controlling Company and Consolidated					
			Less than one month	From one to three months	From three months to one year	From one to two years	More than two years	Total
4th	1	CDI variance + 0.65% per year	-	-	90,080	-	-	90,080
4th	2	IPCA variance + 6.07% per year	-	-	20,352	21,560	467,879	509,791
5th	1	CDI variance + 0.89% per year	7,849		85,861	-	85,273	178,983
5th	2	IPCA variance + 7.01% per year	-	-	21,336	128,601	250,795	400,732
6th	Single	CDI variance + 2.00% per year	-	-	174,615	-	-	174,615
7th	1	CDI variance + 0.40% per year		-	15,216	17,634	238,389	271,239
7th	2	IPCA variance + 5.90% per year	-	-	10,955	12,620	272,473	296,048
			7,849	**-**	**418,415**	**180,415**	**1,314,809**	**1,921,488**

30. INSURANCE

	Maximum indemnification limit in thousands of BRL		
	Term of Effectiveness 08/04/2017 to 08/04/2018	Term of Effectiveness 12/29/2016 to 08/04/2017	Term of Effectiveness 12/31/2015 to 12/31/2016
Operating risk	2,000,000	2,000,000	1,955,000
Civil liability	110,000	110,000	19,550
Loss of profits	1,137,596	-	1,730,865

See additional comments in Note 29 to the 2016 annual financial statements.

31. NON-CASH TRANSACTIONS

	Controlling Company and Consolidated	
	09/31/2017	12/31/2016
Proposed dividends and Interest on Equity	-	414,838
Realization of valuation adjustment to equity	56,520	71,850
Reclassification of net actuarial gains	982	567
Deferred income tax on pension plan	506	292

32. COMMITMENTS

32.1. Electric power purchase and sale agreements

The Controlling Company and its controlled company have bilateral agreements for the sale of power negotiated until the year 2027, and for the bid agreements until the year 2018.

33. SUBSEQUENT EVENTS

33.1. Financial settlement - CCEE

From the settlements that took place in October, in the amount of BRL 47,797, BRL 10,160 is related to normal transaction of electric power sale in the short term market (MRE/MCP) and BRL 37,637 is related to the injunction granted to APINE.

33.2. Dividends

The Extraordinary Shareholders' General Meeting (ESGM) carried out on October 31st, 2017 approved the proposal of the Board of Directors regarding the interim dividend distribution based on 2017 first semester financial statements, in a total amount of BRL 120,000 (one hundred and twenty million Reais) to be fully charged of the Company's net profits' account of the respective financial period and apportioned to the preferred and common shares in the amount of BRL 1.270738411per share, in compliance with item (ii) of article 5 and with article 28 of the Company's By-Laws. The approved amounts will be paid to the Company's shareholders until December 31st, 2017, and, therefore, without any monetary adjustment to the amount to be paid to the shareholders between the declaration's date at the ESGM, and the date of the actual payment to the shareholders. Also, this amount will necessarily be considered an advance payment for the purpose of paying fixed dividends attributable to the preferred shares at the Ordinary Shareholders Meeting for 2018, in compliance with the statutory and legal provisions.

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MANAGEMENT MEMBERS

Board of Directors

Yinsheng Li
Chairman

Yujun Liu
Effective Member

Evandro Leite Vasconselos
Effective Member

Eliseu Nogueira de Andrade
Effective Member

Narciso Meschiatti Filho
Alternate Member

Supervisory Board

Jarbas Tadeu Barsanti Ribeiro
Chairman

François Moreau
Effective Member

Marcelo Curti
Effective Member

Ary Waddington
Alternate Member

Edgar Massao Raffaelli
Alternate Member

Murici dos Santos
Alternate Member

Executive Board

Yinsheng Li
Chief Executive Officer

Carlos Alberto Dias Costa
Chief Operating Officer and Chief Environmental Officer

Carlos Alberto Rodrigues de Carvalho
Chief Financial Officer,
Chief Internal Controls Officer and Chief Information Officer,
and Executive Director of Relations with Investors

João Luis Campos da Rocha Calisto
Executive Director of Regulatory Matters and Energetic Planning

Plautius Soares André Filho
Chief Commercial Officer

Antonio Patricio Franco Martins
General Controllership Manager

Narciso Meschiatti Filho
Accountant - 1SP-101290/O-0