



Notice to the Market - 14/19

Tariff adjustment – Copel Distribuição

Companhia Paranaense de Energia – COPEL, a company that generates, transmits, distributes and sells power, with shares listed on the NYSE (ELPVY, ELP), B3 (CPLE3, CPLE5, CPLE6) and the LATIBEX (XCOP), in compliance with the provisions of CVM Instruction 358/2002, hereby informs its shareholders and the market in general that the Brazilian Electricity Regulatory Agency (Aneel), authorized today, at its 21st Ordinary Public Meeting, the Copel Distribuição's tariff adjustment with an average effect of 3.41% to customers, composed of the following items:

Item	Adjustment Composition (%)
Adjustment of Portion B	1.12
Adjustment of Portion A	-3.08
Inclusion of financial components	10.54
Removal of financial components from the previous tariff process	-5.17
Average effect	3.41

The **Portion B**, which includes operating costs, annual fees, remuneration and depreciation, represented 1.12% of the composition of the tariff adjustment, and reflects, mainly, the IPCA (National Index of Price to the Ample Consumer) readjustment of the reference period (4.66%) plus the positive effect of 1.00% of the "X Factor".

The **Portion A**, which includes charges, transport and power costs, represented a reduction of 3.08% in the composition of the tariff adjustment due, especially, reduction of sector charges of the Energy Development Account (CDE), related to the loan made by the federal government in 2014 and 2015 with public and private banks to rebalance the system.

The inclusion of the financial components in the current process is due, in particular, to the transfer of energy purchase costs above the tariff coverage in the previous period.

The adjustment will be applied in full to Copel Distribuição's tariffs as of June 24, 2019.

Curitiba, June 18, 2019.

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Chief Financial and Investor Relations Officer

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