

## Copel Distribuição's Captive Market grows 5.6% in 2014

This report analyzes the performance of Copel's electricity market between January and December 2014 and all comparisons refer to the same period in 2013.

### Copel Distribuição

#### Captive Market

Electricity sales to Copel Distribuição's captive market came to 24,208 GWh in 2014, up 5.6% in comparison with 2013, mainly due to the increase in average consumption and in the customer base in the period. The table below breaks down electricity sales by customer segment:

	Number of Customers			Energy sold (GWh)					
	Dec/14	Dec/13	Var. %	4Q14	4Q13	Var. %	2014	2013	Var. %
Residential	3,437,030	3,320,098	3.5	1,842	1,755	5.0	7,267	6,888	5.5
Industrial	91,068	93,491	(2.6)	1,801	1,681	7.1	6,838	6,605	3.5
Commercial	369,205	338,502	9.1	1,440	1,303	10.6	5,470	5,074	7.8
Rural	372,464	372,835	(0.1)	571	525	8.6	2,252	2,081	8.2
Other	57,203	56,567	1.1	622	589	5.6	2,381	2,278	4.5
<b>Captive Market</b>	<b>4,326,970</b>	<b>4,181,493</b>	<b>3.5</b>	<b>6,276</b>	<b>5,853</b>	<b>7.2</b>	<b>24,208</b>	<b>22,926</b>	<b>5.6</b>

The residential segment consumed 7,267 GWh in 2014, 5.5% up, due to the increase in the customer base and the upturn in average consumption in the period, due to the maintenance of the favorable income conditions and employment level and temperatures above average in the period. At the end of December 2014 this segment accounted for 30.0% of captive market, totaling 3,437,030 residential customers.

The industrial segment consumed 6,838 GWh in the period, 3.5% up, due the growth in industrial production of the beverage, wood products and paper & pulp sectors. At the end of the period, this segment accounted for 28.2% of captive market, with the company supplying power to 91,068 industrial customers.

The commercial segment consumed 5,470 GWh between January and December 2014, 7.8% up on the same period of 2013, as a result of the increase in the customer base and higher temperatures in the period. At the end of December, this segment represented 22.6% of Copel's captive market, with the company supplying power to 369,205 customers.

The rural segment consumed 2,252 GWh, growing by 8.2%, mainly due to the strong performance of agribusiness in Paraná. At the end of December, this segment represented 9.3% of Copel's captive market, with the company supplying power to 372,464 rural customers.

Other segments (public agencies, public lighting, public services and own consumption) consumed 2,381 GWh, 4.5% up in the period. These segments jointly account for 9.9% of Copel's captive market, totaling 57,203 customers at the end of the period.

(\*) Amounts subject to rounding adjustments.

## Grid Market (TUSD)

Copel Distribuição's grid market, comprising the captive market, concessionaires and licensees in the State of Paraná, and all free consumers within the Company's concession area, grew by 5.0% in 2014, as shown in the following table:

	Number of Customers / Agreements			Energy Sold (GWh)					
	Dec/14	Dec/13	Var. %	4Q14	4Q13	Var. %	2014	2013	Var. %
Captive Market	4,326,970	4,181,493	3.5	6,276	5,853	7.2	24,208	22,926	5.6
Concessionaires and Licensees	4	4	-	190	170	11.3	738	666	10.7
Free Customers <sup>1</sup>	132	128	3.1	1,121	1,180	(5.0)	4,483	4,439	1.0
<b>Grid Market</b>	<b>4,327,106</b>	<b>4,181,625</b>	<b>3.5</b>	<b>7,587</b>	<b>7,203</b>	<b>5.3</b>	<b>29,429</b>	<b>28,031</b>	<b>5.0</b>

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

## Copel's Consolidated Market

### Electricity Sales

Copel's electricity sales to final customers, that comprising Copel Distribuição's sales in the captive market and Copel Geração e Transmissão's sales in the free market, increased by 4.5% in 2014.

The table below breaks down electricity sales by customer segment:

Segment	Market	Energy Sold (GWh)					
		4Q14	4Q13	Var. %	2014	2013	Var. %
Residential		1,842	1,755	5.0	7,267	6,888	5.5
	<b>Total</b>	<b>2,794</b>	<b>2,703</b>	<b>3.4</b>	<b>10,841</b>	<b>10,675</b>	<b>1.6</b>
Industrial	Captive	1,801	1,681	7.2	6,837	6,605	3.5
	Free	993	1,022	(2.8)	4,004	4,070	(1.6)
	<b>Total</b>	<b>1,443</b>	<b>1,306</b>	<b>10.5</b>	<b>5,482</b>	<b>5,086</b>	<b>7.8</b>
Commercial	Captive	1,440	1,303	10.5	5,470	5,074	7.8
	Free	3	3	-	12	12	-
Rural		571	525	8.7	2,252	2,081	8.2
Other		623	589	5.8	2,382	2,278	4.6
<b>Energy Supply</b>		<b>7,273</b>	<b>6,878</b>	<b>5.7</b>	<b>28,224</b>	<b>27,008</b>	<b>4.5</b>

(\*) Amounts subject to rounding adjustments.

## Total Electricity Sold

Copel's electricity sales, comprising Copel Distribuição and Copel Geração e Transmissão's sales in all the markets, reached 43,556 GWh in 2014, a 3.5% growth over the same period of 2013. Copel Geração e Transmissão's sales totaled 18,287 GWh in 2014, down 1.0% on 2013.

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

	Number of Customers / Assessments			Energy Sold (GWh)					
	Dec/14	Dec/13	Var. %	4Q14	4Q13	Var. %	2014	2013	Var. %
<b>Copel DIS</b>									
Captive Market	4,326,970	4,181,493	3.5	6,276	5,853	7.2	24,208	22,926	5.6
Concessionaries and Licensees	4	4	-	177	170	3.8	699	620	12.7
CCEE (MCP)	-	-	-	87	23	275.6	362	43	742.5
<b>Total Copel DIS</b>	<b>4,326,974</b>	<b>4,181,497</b>	<b>3.5</b>	<b>6,540</b>	<b>6,046</b>	<b>8.2</b>	<b>25,269</b>	<b>23,589</b>	<b>7.1</b>
<b>Copel GeT</b>									
CCEAR (Copel DIS)	1	1	-	112	199	(43.8)	411	831	(50.5)
CCEAR (other concessionaries)	40	36	11.1	1,199	1,650	(27.4)	4,695	6,389	(26.5)
Free Customers	29	27	7.4	996	1,025	(2.8)	4,016	4,082	(1.6)
Bilateral Agreements <sup>1</sup>	30	21	42.9	1,858	1,368	35.8	7,392	5,308	39.3
CCEE (MCP) <sup>2</sup>	-	-	-	275	23	-	1,773	1,867	(5.0)
<b>Total Copel GeT</b>	<b>100</b>	<b>85</b>	<b>17.6</b>	<b>4,440</b>	<b>4,265</b>	<b>4.1</b>	<b>18,287</b>	<b>18,477</b>	<b>(1.0)</b>
<b>Total Copel Consolidated</b>	<b>4,327,074</b>	<b>4,181,582</b>	<b>3.5</b>	<b>10,980</b>	<b>10,311</b>	<b>6.5</b>	<b>43,556</b>	<b>42,066</b>	<b>3.5</b>

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

CCEE: Electric Power Trade Chamber.

CCEAR: Energy Purchase Agreements in the Regulated Market.

MCP: Short Term Market.

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

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

Additionally, the electricity produced by TPP Araucária was sold in the short-term market (MCP), totaling 3,308 GWh in the period. The amount of energy produced in 2014 is shown in the table below:

	GWh				
TPP Araucária - UEGA	4Q14	3Q14	2Q14	Feb-Mar/14 <sup>1</sup>	2014
Own Generation	983	796	872	657	3.308

Font: ONS

<sup>1</sup> Since February 1, 2014, the Araucária TPP became operated by UEGA, a COPEL subsidiary, which retains 80% of its capital (the remaining 20% is held by PETROBRAS).

Curitiba, February 05, 2015.

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(\*) Amounts subject to rounding adjustments.