



Notice to the Market – IR 23/15

Renegotiation of Hydrologic Risk

Companhia Paranaense de Energia - Copel, pursuant to CVM Instruction 358/2002, hereby informs its shareholders and the market in general that, as envisaged in Law 13203 of December 8, 2015, and Normative Resolution 684 of December 11, 2015, Copel Geração e Transmissão S.A filed, with the Brazilian Electricity Regulatory Agency – Aneel, the requirement to adhere to the renegotiation of Hydrologic Risk – GSF (Generation Scaling Factor) for HPP Mauá (197.6 average MW), an undertaking belonging to Consórcio Energético Cruzeiro do Sul (51% Copel GeT and 49% Eletrosul), and for the Energy Reallocation Mechanism (MRE) plants associated with compliance with the Energy Purchase Agreements in the Regulated Market (CCEAR) valid between 2009 and 2016, corresponding to 227 average MW. The entire request totals 327.8 average MW in the regulated market, representing 16.6% of Copel GeT's physical guarantee.

In addition, the Company voted in favor of the renegotiation of hydrologic risk within the scope of the regulated market of the HPPs Santa Clara (69.6 average MW) and Fundão (65.8 average MW) belonging to Centrais Elétricas do Rio Jordão – Elejor (70% Copel and 30% Paineiras Participações).

Copel GeT's requirement and the favorable vote for Elejor includes adherence to the SP100 product, through which the generator transfers its entire hydrologic risk and secondary energy to the Centralized Account for Tariff Flag Funds – CCRBT.

The Company is awaiting Aneel's approval and will keep the market informed of further developments regarding this matter.

Curitiba, December 23, 2015.

Gilberto Mendes Fernandes

Chief Corporate Management Officer interim as Chief Financial and Investor Relations Officer

For further information, please contact our Investor Relations team:
ri@copel.com or (41) 3222-2027