



## Related-Party Transaction

### Notice about Related-Party Transaction

Companhia Paranaense de Energia – Copel, a company that generates, transmits, distributes and sells power, with shares listed on the NYSE (ELPVY, ELP), the B3 (CPLE3, CPLE5, CPLE6) and the LATIBEX (XCOP), pursuant to CVM Instruction 480, of December 7, 2009, hereby informs its shareholders and the market in general of the following related-party transaction, entered into on November 24, 2017:

<b>Name of Related Parties</b>	Usina Elétrica a Gás de Araucária Ltda. – UEG Araucária e Petróleo Brasileiro S.A – Petrobras.
<b>Relationship with the Company</b>	UEG Araucária is a private-law legal entity, incorporated as a limited-liability company, owned by Copel, which holds 20% of the capital stock; Copel Geração e Transmissão, which holds 60% of the capital stock; and Petrobras, which holds 20% of the capital stock.
<b>Transaction Date</b>	November 24, 2017.
<b>Purpose of the Agreement</b>	Addendum no. 1 to the agreement for the purchase and sale of natural gas in the interruptible mode for generation of thermoelectric energy celebrated on October 11, 2017.
<b>Main Terms and Conditions</b>	To extend the term of the Agreement until December 31, 2017.  Maximum daily volume up to 2,190,000 Nm <sup>3</sup> / day.  Possibility of presentation of the Company's corporate guarantee as guarantee of payment of the agreement.
<b>Information about the participation of the counterparty, its partners or management in the Company's decision-making process about the transaction or negotiation of the transaction as representatives of the Company, describing such participation</b>	The counterparty, as a UEGA quotaholder, did not participate in the Company's decision-making process, as it declared itself unable to resolve the matter.
<b>Detailed justification of why the issuer's management considers that the transaction is conducted on an arm's length basis or envisages</b>	Araucária TPP (a plant owned and operated by UEG Araucária) does not have Energy Commercialization Agreements related to the sale of generated energy, operating as a Merchant. This means that it is called upon to generate energy by the National System



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<p><b>appropriate compensatory payment:</b></p>	<p>Operator (ONS) when the Marginal Cost of Operation (CMO) exceeds the Unit Variable Cost (CVU) of the plant.</p> <p>Araucária TPP's operation is, therefore, determined by the merit order of its costs or request by the ONS.</p> <p>In light of this, the Company's management considers that the transaction was conducted on an arm's length basis and envisages appropriate compensatory payment.</p> <p>The Company thus believes that the agreement resulted in the reduction of Araucária TPP's variable costs, placing it at a level below the Marginal Cost of Operation of the electrical sector, enabling its possible operation. In addition, the exclusion of the take or pay clause does not impose risk on UEG Araucária if the National Interconnected System (SIN) conditions are not appropriate for the dispatch of Araucária TPP.</p>
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Curitiba, December 04, 2017.

**Adriano Rudek de Moura**  
Chief Financial and Investor Relations Officer

For further information, please contact the Investor Relations team:  
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