

# Capacity Reserve Auction

# DISCLAIMER

Forward-looking statements are not guarantees of performance: they involve risks, uncertainties, and assumptions, as they refer to events that may or may not occur.

General economic conditions, industry-specific factors, and operational variables may affect Copel's future performance and lead to results that differ materially from those expressed in such forward-looking statements.

# Hydropower ensures lower rates and greater system efficiency

1

Lower costs for the SIN\* and affordable tariffs

2

Greater flexibility compared with other sources

3

Unique advantages in frequency control, synchronous compensation and operational reserves

4

Majority of equipment manufactured in Brazil

5

Renewable and clean energy, with zero carbon emissions

# Power auction reinforces the path to value creation

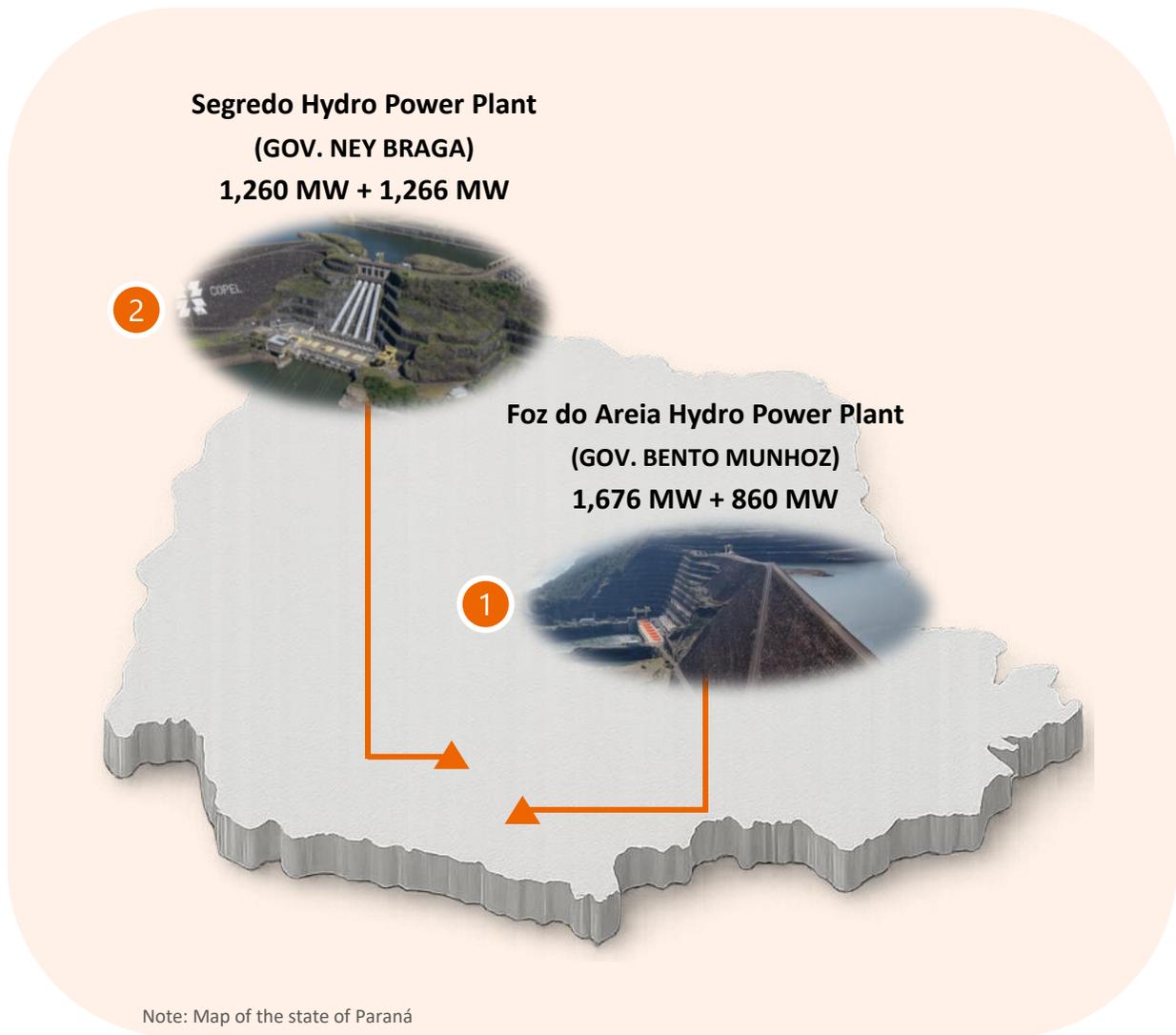
**Strategic expansion of the generation portfolio**

**Significant and sustainable economic impact**

**4GW+ pipeline for future auctions**

**Driving the 2035 Strategy**

# Overview of assets



1 Foz do Areia HPP		2 Segredo HPP	
<b>1,676 MW</b> Installed Capacity	<b>568 MWavg</b> Physical Guarantee	<b>1,260 MW</b> Installed Capacity	<b>553 MWavg</b> Physical Guarantee
+ 860 MW	+ 21 MWm	+ 1,266 MW	+ 56 MWm
<b>2,536 MW</b> Installed Capacity	<b>588 MWavg</b> Physical Guarantee	<b>2,526 MW</b> Installed Capacity	<b>609 MWavg</b> Physical Guarantee
<b>8<sup>th</sup> largest HPP in Brazil</b>		<b>9<sup>th</sup> largest HPP in Brazil</b>	
Note: figures are subject to rounding			

# Key modeling indicators



**Foz do Areia Hydroelectric Power Plant**

**Segredo Hydroelectric Power Plant**

<b>Installed capacity available for LRCAP (MW)<sup>1</sup></b>	690.470	1,172.344
<b>Physical guarantee from expansion (Mwavg)<sup>2</sup></b>	20.6	56.3
<b>Power generation term</b>	15 years	15 years
<b>Estimated start of operation</b>	August 2030	August 2030
<b>Contracted gross price (R\$ thousand/MW/year)<sup>3</sup></b>	R\$ 1,395.00	R\$ 1,395.00
<b>Estimated investment (R\$ billion)</b>	R\$ 1.3	R\$ 3.6
<b>Estimated leverage</b>	70%	70%
<b>Transmission System Usage Fee – TUST (R\$/MW/month)<sup>4</sup></b>	R\$ 5.75 – R\$ 6.10	R\$ 6.73 – R\$ 7.19

<sup>1</sup>Total installed capacity adjusted by Capacity Availability Factor (FDispCap) for the Segredo project and by Reference Storage for the Foz do Areia project; <sup>2</sup>Energy available for sale on the ACL; <sup>3</sup>Amount to be adjusted annually based on the IPCA index, with a base date of Sept. 2025; <sup>4</sup>Amount to be updated annually in accordance with the variation in the IPCA and/or IGPM, with a base date of June 2025 and calculated based on the project's total installed capacity, which is 860 MW for Foz do Areia and 1,266 MW for Segredo.

# Building value over time: Copel's virtuous cycle

## Definition of minimum return

### Minimum Rate of Return (MRR)

Spread Project Risk + Opportunity Cost



### Implicit IRR CPLE

Shareholder's risk spread



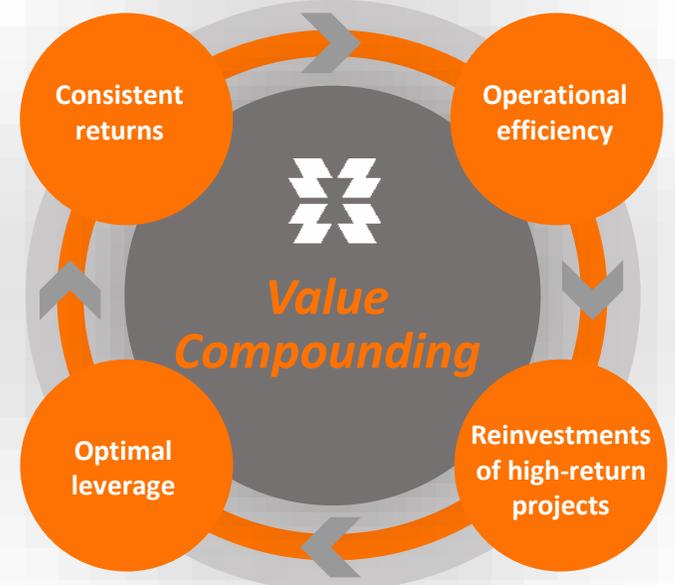
Discount rate (Ke and ACC)



**Risk vs Impact matrix**

Result Impact	Risk Implied				
	Very Low	Low	Moderate	High	Very High
VL	VL	L	M	H	VH
L	VL	L	M	H	VH
M	VL	L	M	H	VH
H	VL	L	M	H	VH
VH	VL	L	M	H	VH

$$TIR_{Invest.} > TIR_{Implicit}$$



# Q&A



[www.copel.com](http://www.copel.com)



[/company/copel](https://www.linkedin.com/company/copel)



[/copel](https://www.youtube.com/c/copel)

**INVESTOR RELATIONS**

[ri@copel.com](mailto:ri@copel.com)

+55 (41) 3331-4011

[ri.copel.com](http://ri.copel.com)