

Reuters: EDP.P / EDP.N  
Bloomberg: EDP PL / EDP US

# Investors & Analysts' Briefing

## **ANEEL APPROVES A 13.44% TARIFF INCREASE AT BANDEIRANTE'S ANNUAL TARIFF READJUSTMENT PROCESS**

The Brazilian electricity regulator, ANEEL, approved yesterday a 13.44% annual tariff readjustment index for Bandeirante, for the period from October 2006 to September 2007.

Within an annual tariff readjustment process, ANEEL recognizes in the tariffs of the distribution companies the pass-through of some cost components incurred in the previous twelve months, namely i) the annual change in non-controllable costs ("Parcela A") and ii) the adjustment of the controllable costs ("Parcela B") to inflation (IGP-M) corrected by an X Factor. In addition, the regulator also recognizes financial adjustments, which usually correspond to the recovery, for a twelve months period, of the non-controllable costs incurred in the past that were not covered through the tariffs.

The granted tariff adjustment considers ANEEL's decision regarding the appeal placed by Bandeirante for the review the regulatory asset base considered in the October 2003 tariff revision. In consequence, ANEEL temporarily increased the regulatory asset base from R\$ 998 million to R\$ 1,026 million (September 2003 values). This increase would become definitive in 60 days from the current date.

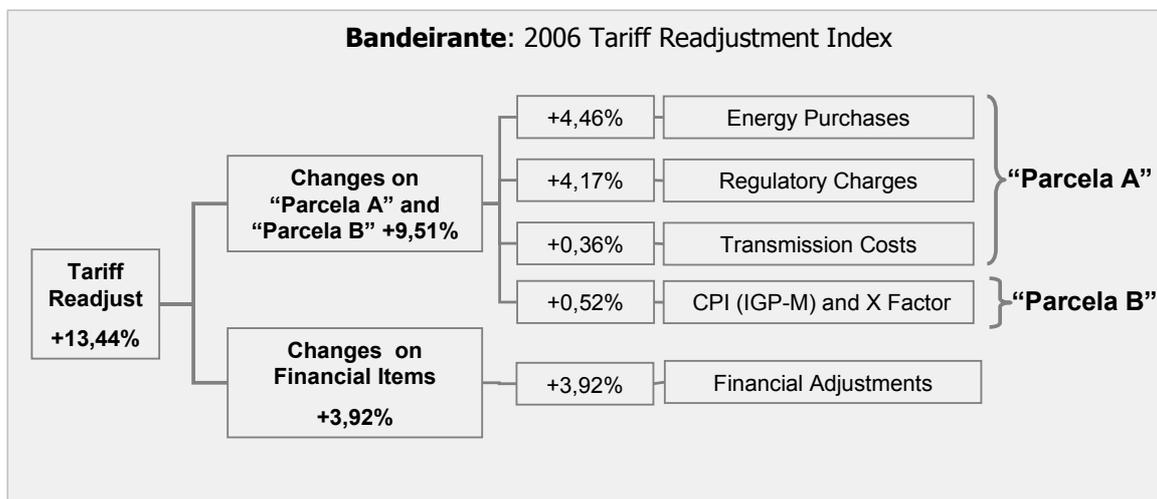
As such, considering the effect of the revision of Bandeirante's regulatory asset base and the financial adjustments included in the last period's tariffs (non-recurring items), which are associated to the recovery of tariff differences incurred in the past, the tariff readjustment results in an effective average tariff increase of 15.41%.

### **INVESTOR RELATIONS DEPARTMENT**

Miguel Viana, Head of IR  
Gonçalo Santos  
Elisabete Ferreira  
Cristina Requicha  
Rui Antunes  
Ricardo Farinha

Phone +351 210012834  
Fax: +351 210012899

Email: [ir@edp.pt](mailto:ir@edp.pt)  
Website: [www.edp.pt](http://www.edp.pt)



EDP – Energias de Portugal, S.A.