



Regulatory Analysis and EDP São Paulo Results

REGULATORY CONTEXT, CONCESSION RENEWAL, TIMELINE AND RESULTS IN NUMBERS

1. BRAZILIAN REGULATORY CONTEXT

Pole Infrastructure Sharing

Responsibilities for maintaining cables and equipment on electricity distribution poles are shared according to Brazilian regulations (ANEEL Resolutions 414/2010, 1,000/2021 and 1,044/2022):

- POWER DISTRIBUTORS (e.g., EDP SP)
 - ✓ Remove unauthorized/illegal cabling
 - ✓ Notify authorized occupants (telecommunications) to regularize installations
 - ✓ Ensure structural integrity of poles
 - ✓ Maintain the electrical network and distribution equipment
- AUTHORIZED OCCUPANTS (telecom, cable TV, internet)
 - ✓ Maintain their own cables and equipment
 - ✓ Comply with technical standards for pole sharing
 - ✓ Respond to distributor notifications within established deadlines
 - ✓ Remove and organize their assets
- Quality Indicators

ANEEL establishes official indicators to assess the quality of distribution service:

- REGULATED INDICATORS:
 - ✓ DEC (Equivalent Duration of Interruption per Consumer)
 - ✓ FEC (Equivalent Frequency of Interruption per Consumer)
- NON-REGULATED INDICATORS:
 - ✓ TMP (Average Preparation Time)
 - ✓ TMAE (Average Emergency Response Time)
 - ✓ EDP SP shows consistent performance, keeping DEC and FEC below regulatory limits.



2. CONCESSION RENEWAL

In May 2025, ANEEL issued Dispatch No. 1,584 recommending the renewal of EDP São Paulo's concession contract (No. 202/1998). This recommendation was based on compliance with:

- ✓ Regulatory performance indicators
- ✓ Financial and operational management standards
- ✓ Legal, fiscal, and technical qualifications

As required by Decree No. 12,068/2024 (Document: Doc 15 – ANEEL Dispatch 1,584/2025).

3. EVENT TIMELINE

- **2021–2022:** Issues in critical areas identified by ANEEL, Infraction Notice 0015/2022-SFE/ANEEL.
- **November 2023:** Extreme weather event (storm) leading to future ANEEL fine.
- **2nd Half of 2023:** Creation of “TMAE Committee” by EDP to improve analysis and actions.
- **2024:** Implementation of “Resilience Project,” resulting in a 45% reduction in TMAE.
- **February 2024:** ANEEL Notification 0014/2024-SFT.
- **March 2024:** Technical defense submitted by EDP.
- **May 2024:** Public Civil Action initiated by Caraguatatuba Municipality.
- **June 2024:** ANEEL Infraction Notice issued (Fine: R\$16,021,418.97).
- **October 2024:** EDP's administrative appeal denied by ANEEL.
- **November 2024:** Federal Court grants urgent injunction, suspending the fine.
- **December 2024:** Caraguatatuba ruling: EDP must present an action plan within 90 days; R\$50 million indemnity claim rejected.
- **February 2025:** Caraguatatuba case suspended for agreement negotiations.
- **May 2025:** ANEEL recommends renewal of EDP SP concession.
- **June–July 2025:** EDP implements emergency measures in Mogi (23 km inspected, 650 kg removed, 190 points regularized).
- **August 2025:** Deadline for Caraguatatuba agreement (13/08/2025).

4. RESULTS IN NUMBERS

QUALITY AND RESILIENCE PROGRAM – RESULTS

Regulatory Indicators (2023–2024):

- 45% reduction in TMAE (Average Emergency Response Time)
- DEC and FEC below regulatory limits
- Continuous downward trend in all indicators

Mogi das Cruzes – Emergency Actions (May–Jul 2025):

- 23 km of electrical network inspected
- 650 kg of cables and equipment removed
- 190 irregular points regularized
- 18 streets cleared of pending issues
- 1 team dedicated exclusively to the municipality
- 1 direct WhatsApp channel with authorities

Caraguatatuba – Case Under Negotiation:

- Over 2,000 points identified for intervention
- Multi-party agreement under development (EDP + MPSP + Municipality + operators)

Infrastructure Investments:

- Resilience Project: additional emergency teams hired (2024)
- Reinforcements in substations and infrastructure
- Network automation and digitalization
- Partnerships with Civil Defense and municipalities