

Notice to the market – 03/22

COMPANHIA PARANAENSE DE ENERGIA – COPEL
CNPJ/ME 76.483.817/0001-20 – NIRE 41300036535 – Registro CVM 1431-1
B3 (CPLE3, CPLE5, CPLE6, CPLE11)
NYSE (ELP)
LATIBEX (XCOP, XCOPO, XCOPU)

Copel Distribuição's Grid Market increased by 5.6% in 2021

COPEL ("Company"), a company that generates, transmits, distributes and sells power, hereby communicates to its shareholders and the market in general the performance of Copel's energy market in 4Q21 and in the accumulated of 2021.

Distribution

Grid Market

Copel Distribuição's grid market, made up of the captive market, supply to concessionaires and licensees within the State of Paraná and all of the free customers existing in its concession area, grew by 5.6% in energy consumption in 2021 and 0.5% increase in 4Q21 compared to the same period of the previous year.

	Number of Costumers			Energy Sold (GWh)					
	Dec-21	Dec-20	Var. %	4Q21	4Q20	Var. %	2021	2020	Var. %
Residential	4,038,454	3,944,556	2.4	2,047	2,117	(3.3)	8,068	7,910	2.0
Industrial	71,651	71,904	(0.4)	3,003	2,957	1.6	11,960	10,810	10.6
Captive	70,632	71,038	(0.6)	556	595	(6.6)	2,275	2,314	(1.7)
Free	1,019	866	17.7	2,448	2,362	3.6	9,685	8,496	14.0
Commercial	423,812	413,599	2.5	1,548	1,491	3.8	5,888	5,607	5.0
Captive	422,560	412,630	2.4	1,094	1,092	0.1	4,149	4,172	(0.6)
Free	1,252	969	29.2	455	399	13.8	1,739	1,435	21.2
Rural	342,465	347,592	(1.5)	622	649	(4.1)	2,562	2,540	0.9
Captive	342,428	347,562	(1.5)	595	623	(4.5)	2,460	2,451	0.4
Free	37	30	23.3	27	26	5.3	102	89	14.3
Others	52,544	60,072	(12.5)	603	575	4.8	2,364	2,337	1.1
Captive	52,534	60,066	(12.5)	601	574	4.8	2,359	2,333	1.1
Free	10	6	66.7	1	1	-	5	4	14.5
Total Captive Market	4,926,608	4,835,852	1.9	4,892	5,001	(2.2)	19,312	19,180	0.7
Total Free Market	2,318	1,871	23.9	2,931	2,788	5.1	11,531	10,025	15.0
Supply to Concessionaries	7	7	-	233	230	1.3	932	873	6.8
Total Grid Market	4,928,933	4,837,730	1.9	8,056	8,019	0.5	31,775	30,078	5.6

These results are mainly due to the growth of the free market, impacted by (i) the good performance of industrial production in Paraná, which recorded a 10.6% growth in energy consumption, with the sectors that contributed the most to this growth were the manufacture of food products, manufacture of wood, paper and cellulose products; and (ii) commercial consumption, both in retail and wholesale, with growth of 5.0%.

In the fourth quarter of 2021, there was a deceleration in the growth percentage of Copel's grid market. This slowdown is mainly due to the bonus created by the Federal Government through the Incentive Program for the Voluntary Reduction of Electric Energy Consumption, whose purpose of encouraging consumers to reduce

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their energy consumption affected practically all classes of consumption, culminating in the 2.2% reduction in energy consumption in the captive market when compared to the same period in 2020.

Captive Market

Energy sales to the captive market by Copel Distribuição totaled 4,892 GWh in 4Q21, a reduction of 2.2% compared to the same period of the previous year. The reasons that contributed to this reduction, in addition to the aforementioned Incentive Program for the Voluntary Reduction of Electric Energy Consumption, are presented below.

The residential class presented a reduction of 3.3%, also reflecting the relaxation of the social isolation measures implemented due to the Covid-19 pandemic, and the consequent resumption of on-site activities, culminating in the reduction of average consumption in the quarter by 5.6 %. Year-to-date, the residential class recorded growth of 2%.

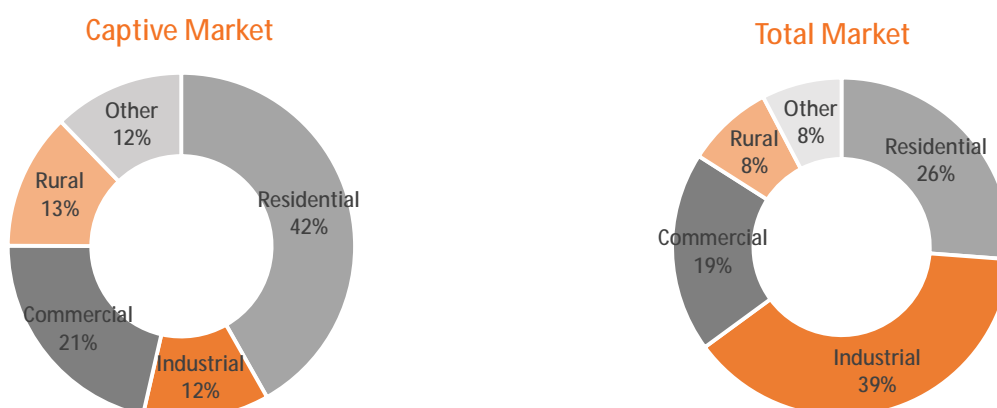
The industrial class recorded a drop of 6.6% in the period from October to December 2021, given the migration of customers to the free market, especially the manufacturing of food products.

The commercial class consumed 1,094 GWh in 4Q21, with an emphasis on the 41.1% growth in consumption of education-related activities and 12% for associative organizations, partially offset by the migration to the free market of wholesale customers and a 9.1% reduction in electricity consumption in financial services activities.

The rural class recorded a 4.5% drop in energy consumption in 4Q21, given the migration of large customers to the free market.

The other classes (public authorities, public lighting, public services and own consumption) totaled 601 GWh between October and December 2021, an increase of 4.8%, motivated, in part, by the return to in-site activities and services in public buildings. The 12.5% reduction in the number of customers of the group is mainly due to the re-registration/census of public lighting poles.

The following chart demonstrates energy consumption by consumption class in 2021:



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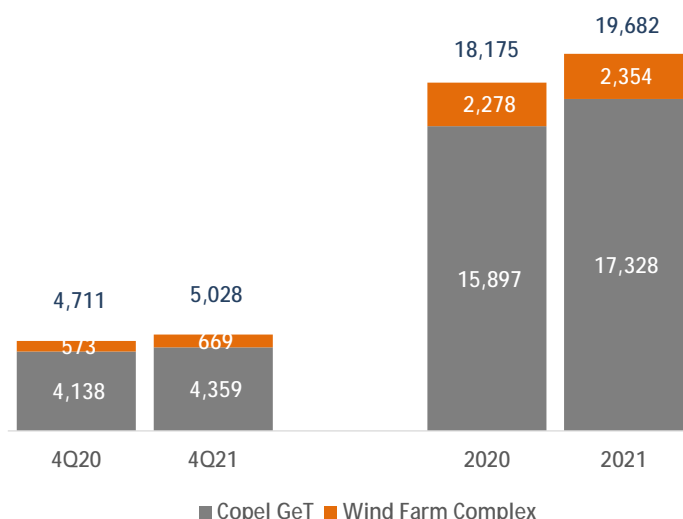
Generation

The volume of energy sold by Copel Geração e Transmissão (including energy from FDA and BVE, but excluding TPP Araucária) reached 4,359 GWh in 4Q21, an increase of 5.3% compared to the same period of the previous year. In 2021, the volume of energy sold was 17,328 GWh, an increase of 9.0%. The total energy sold by the wind farms in 4Q21 was 669 GWh, an increase of 16.8% and, in the year, the total energy sold was 2,354 GWh, an increase of 3.3%.

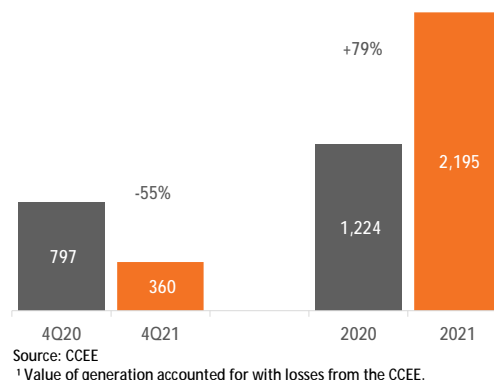
TPP Araucaria

In 4Q21, there was a reduction in the dispatch of TPP Araucária due to the improvement in hydrological conditions. The plant generated 360 GWh in the period from October to December 2021, a reduction of 55% compared to the same period of the previous year. For the year, the plant's generation reached 2,195 GWh, an increase of 79% compared to 2020.

Generation Consolidated Sales (GWh)



UEGA Generation (GWh)¹



Trading

Copel Mercado Livre

In the fourth quarter of 2021, the volume of energy sold by Copel Mercado Livre increased by 79.6% compared to 4Q20, due to the 55.4% growth in free consumers and 88.0% growth in bilateral contracts. In the year, Copel Mercado Livre grew 86.3% in the volume of energy sold.

Copel's Consolidated Market

The total energy sold by Copel, comprising the sales of Copel Distribuição, Copel Geração e Transmissão, the Wind Power Complexes and Copel Mercado Livre in all markets, reached 16,829 GWh in 4Q21, representing a growth of 17.8%, and 65,428 GWh in 2021, an increase of 21.9%.

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The following table presents Copel's total energy sales, segmented between Copel Distribuição, Copel Geração e Transmissão, Wind Farms and Copel Mercado Livre:

	Number of Customers / Agreements			Energy Sold (GWh)					
	Dec-21	Dec-20	Var. %	4Q21	4Q20	Var. %	2021	2020	Var. %
Copel DIS									
Captive Market	4,926,608	4,835,852	1.9	4,892	5,001	(2.2)	19,312	19,180	0.7
Concessionaries and Licensees	2	2	-	23	20	15.0	86	76	13.2
CCEE (Assignments MCSD EN)	376	264	42.4	314	226	38.9	986	745	32.3
CCEE (MVE)	26	41	(36.6)	114	970	(88.2)	477	1,299	(63.3)
CCEE (MCP)	-	-	-	437	-	-	1,694	1,743	(2.8)
Total Copel DIS	4,927,017	4,836,164	1.9	5,780	6,217	(7.0)	22,554	23,043	(2.1)
Copel GeT									
CCEAR (Copel DIS)	3	3	-	31	33	- 6.1	122	123	(0.8)
CCEAR (other concessionaries)	101	101	-	568	572	(0.7)	2,215	2,221	(0.3)
Free Customers	17	35	(51.4)	315	906	(65.3)	1,298	3,369	(61.5)
Bilateral Agreements (Copel Mercado Livre)	132	40	230.0	3,252	1,899	71.3	12,978	7,238	79.3
Bilateral Agreements ¹	11	47	(76.6)	193	728	(73.4)	715	2,946	(75.7)
CCEE (MCP) ²	-	-	-	-	-	-	-	-	-
Total Copel GeT	264	226	16.8	4,359	4,138	5.3	17,328	15,897	9.0
Wind Farms Complex									
CCEAR (Copel DIS)	6	6	-	8	8	-	31	31	-
CCEAR (other concessionaries)	328	328	-	325	325	-	1,289	1,292	(0.2)
CER	10	10	-	231	231	-	915	918	(0.3)
Bilateral Agreements (Copel Mercado Livre)	21	-	-	49	-	-	54	37	45.9
Bilateral Agreements	10	-	-	36	-	-	36	-	-
CCEE (MCP) ²	-	-	-	20	9	122	29	-	-
Total Wind Farm Complex	375	344	9.0	669	573	16.8	2,354	2,278	3.3
Copel Mercado Livre									
Free Customers	1,363	877	55.4	2,158	1,269	70.0	8,239	4,620	78.3
Bilateral Agreements (Group Companies)	39	7	457.1	1,031	199	418.1	3,535	516	585.1
Bilateral Agreements	235	125	88.0	2,833	1,782	59.0	11,337	6,984	62.3
CCEE (MCP) ²	-	-	-	-	103	-	81	330	(75.5)
Total Copel Mercado Livre	1,637	1,009	62.2	6,022	3,353	79.6	23,192	12,450	86.3
Total Copel Consolidated	4,929,293	4,837,743	1.9	16,829	14,281	17.8	65,428	53,668	21.9

Note: Not considering the energy from MRE (Energy Relocation Mechanism).

¹ Includes Short Term Sales Agreements and CBR

² Assured Power allocated in the period, after impact of the GSF.

CCEE: Electric Power Trade Chamber / CCEAR: Energy Purchase Agreements in the Regulated Market / MCP: Short Term Market / CER: Agreements Reserve Energy / MCSD EN - Mechanism for Compensation of Surpluses and Deficits of New Energy / MVE - MVE - Sale of energy to the free market through the Surplus Selling Mechanism.

* Rectification in Copel's Consolidated Market table, in the Concessionaries and Licenses, Wind Complexes and Copel Mercado Livre lines.

Curitiba, February 25, 2022.

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