

CPFL Energy INC
Form 6-K
November 10, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of November, 2009

Commission File Number 32297

CPFL Energy Incorporated
(Translation of Registrant's name into English)

**Rua Gomes de Carvalho, 1510, 14º andar, cj 1402
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Federative Republic of Brazil
(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-_____

São Paulo, November 10, 2009 CPFL Energia S.A. (BM&FBOVESPA: CPFE3 and NYSE: CPL), announces its **3Q09 results**. The financial and operational information herein, unless otherwise indicated, is presented on a consolidated basis and is in accordance with the applicable legislation. Comparisons are relative to 3Q08, unless otherwise stated.

CPFL ENERGIA ANNOUNCES 3Q09 NET INCOME OF R\$ 290 MILLION

| Indicators (R\$ Million) | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
|--|--------|--------|--------|--------|--------|--------|
| Sales within the Concession Area - GWh | 12,274 | 12,432 | -1.3% | 35,916 | 36,549 | -1.7% |
| Captive Market | 9,354 | 9,373 | -0.2% | 27,950 | 27,662 | 1.0% |
| TUSD | 2,919 | 3,059 | -4.6% | 7,966 | 8,887 | -10.4% |
| Sales in the Free Market - GWh | 2,650 | 2,293 | 15.5% | 7,526 | 6,569 | 14.6% |
| Gross Operating Revenue | 4,084 | 3,521 | 16.0% | 11,598 | 10,642 | 9.0% |
| Net Operating Revenue | 2,704 | 2,389 | 13.2% | 7,753 | 7,183 | 7.9% |
| EBITDA | 670 | 745 | -10.1% | 2,019 | 2,108 | -4.2% |
| EBITDA Margin | 24.8% | 31.2% | -20.6% | 26.0% | 29.3% | -3.3% |
| Net Income | 290 | 344 | -15.8% | 861 | 936 | -8.0% |
| Net Income per Share - R\$ | 0.60 | 0.72 | -15.8% | 1.79 | 1.95 | -8.0% |
| Investments | 319 | 324 | -1.5% | 879 | 812 | 8.3% |

Note: EBITDA is calculated from the sum of net income, taxes, financial result, depreciation/amortization and pension fund contributions.

3Q09 HIGHLIGHTS

- Beginning of the incorporation process of the shares issued by the Controlled Companies CPFL Leste Paulista, CPFL Jaguari, CPFL Sul Paulista, CPFL Mococa, Jaguari Geração, CPFL Serviços and CPFL Santa Cruz, into the equity of CPFL Energia, resulting on a 0.2% increase in the free float;
- CPFL Piratininga's Annual Tariff Adjustment of 5.98% and definitive index of the Second Periodic Tariff Revision (of 2007) of -13.50%, effective as of October 23, 2009
- Acquisition of a 51% stake in Centrais Elétricas da Paraíba (EPASA), owner of the Termonordeste and Termoparaíba Thermoelectric Power Plants, adding 174.2 MW to the CPFL Energia Group's installed capacity as from October 2010;
- Acquisition of 7 companies for participation in the reserve auction in December 2009, which may represent the construction of wind farms with a total installed capacity of 180 MW;
- Constitution of CPFL Bio Formosa and signature of a partnership agreement between CPFL Bio Formosa and Grupo Farias, for the development of the second project of energy generation from biomass of CPFL Group (Projeto Baía Formosa), with 40 MW of energy exported to CPFL Brasil, during the harvest season, 25 MW of which related to CPFL Group;
- CPFL Piratininga winner of the National Quality Award (PNQ) 2009. RGE was a finalist for the same award.

(Bilingual Q&A)

Wednesday, November 11, 2009 11:00 am (Brasília), 8:00 am (EST)

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1) ENERGY SALES

1.1) Sales within the Distributors Concession Area

In 3Q08, sales within the concession area, achieved by the distribution segment, totaled 12,274 GWh, a decrease of 1.3% .

| Sales within the Concession Area - GWh | | | | | | |
|--|---------------|---------------|--------------|---------------|---------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Captive Market | 9,354 | 9,373 | -0.2% | 27,950 | 27,662 | 1.0% |
| TUSD | 2,919 | 3,059 | -4.6% | 7,966 | 8,887 | -10.4% |
| Total | 12,274 | 12,432 | -1.3% | 35,916 | 36,549 | -1.7% |

Sales to the captive market decreased 0.2% to 9,354 GWh.

The energy volume in GWh consumed by free customers in the distributors operational areas, billed through the Distribution System Usage Tariff (TUSD), fell by 4.6% to 2,919 GWh, due to the decline in industrial activity since the end of last year. Worthy of note however is that this result is better than reported in preceding quarters (-14.7% in 1Q09 and -12.1% in 2Q09).

1.1.1) Sales to the Captive Market

| Captive Market - GWh | | | | | | |
|----------------------|--------------|--------------|--------------|---------------|---------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 3,041 | 2,918 | 4.2% | 9,180 | 8,653 | 6.1% |
| Industrial | 2,928 | 3,076 | -4.8% | 8,302 | 8,880 | -6.5% |
| Commercial | 1,673 | 1,636 | 2.3% | 5,290 | 5,038 | 5.0% |
| Others | 1,712 | 1,743 | -1.8% | 5,177 | 5,091 | 1.7% |
| Total | 9,354 | 9,373 | -0.2% | 27,950 | 27,662 | 1.0% |

Note: The captive market sales by distributor tables are attached to this report in item 11.7.

In the captive market, emphasis is given to the growth of the residential and commercial classes, which jointly accounted for 50.4% of total consumption by the distributors captive consumers:

Residential and commercial classes: up by 4.2% and 2.3%, respectively, favored by the accumulated effect of the increase in credit and the bulk of wages in recent years, which pushed up the number of domestic home appliances and generated a highly dynamic retail market. Notwithstanding, in 3Q09, these classes reported a lower percentage growth as compared with the preceding quarters due to the following factors: (i) a high comparative base in 3Q08; (ii) lower temperatures than in 2008; (iii) deceleration in the growth of economic indicators, directly affecting energy consumption by these classes; (iv) a decline in activity in port terminal commercial businesses; and (v) less movement of people in public areas due to the concern as to the spread of the H1N1 virus (Influenza A).

Industrial class: down by 4.8%, due to the international financial crisis and its impacts over the industrial activity, chiefly concerning exports and production of capital goods (investments). However, the percentage reduction in 3Q09 was less than reported in 1Q09 (-7.9%) and 2Q09 (-7.0%) .

1.1.2) Sales by Class Concession Area**1.1.3) TUSD by Distributor**

| TUSD by Distributor (GWh) | | | | | | |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| CPFL Paulista | 1,453 | 1,494 | -2.8% | 3,947 | 4,369 | -9.7% |
| CPFL Piratininga | 1,207 | 1,294 | -6.7% | 3,304 | 3,725 | -11.3% |
| RGE | 220 | 233 | -5.7% | 597 | 677 | -11.8% |
| CPFL Santa Cruz | 6 | 6 | -1.2% | 17 | 15 | 13.8% |
| CPFL Jaguari | 18 | 15 | 24.2% | 55 | 49 | 11.4% |
| CPFL Mococa | - | - | 0.0% | - | - | 0.0% |
| CPFL Leste Paulista | - | - | 0.0% | - | - | 0.0% |
| CPFL Sul Paulista | 17 | 18 | -6.6% | 46 | 52 | -10.6% |
| Total | 2,919 | 3,059 | -4.6% | 7,966 | 8,887 | -10.4% |

1.2) Sales to the Free Market

| Free Market - GWh | | | | | | |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Total | 2,650 | 2,293 | 15.5% | 7,526 | 6,569 | 14.6% |

Sales to the free market moved up by 15.5% to 2,650 GWh, mainly due to the increase in sales through bilateral contracts, excluding related parties.

2) ECONOMIC-FINANCIAL PERFORMANCE

| Consolidated Income Statement - CPFL ENERGIA (R\$ Thousands) | | | | | | |
|---|------------------|------------------|---------------|-------------------|-------------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 4,083,541 | 3,521,080 | 16.0% | 11,598,070 | 10,641,876 | 9.0% |
| Net Operating Revenues | 2,704,109 | 2,388,869 | 13.2% | 7,753,097 | 7,183,417 | 7.9% |
| Cost of Electric Power | (1,726,693) | (1,350,371) | 27.9% | (4,822,581) | (4,196,077) | 14.9% |
| Operating Costs & Expenses | (448,982) | (410,959) | 9.3% | (1,336,511) | (1,234,226) | 8.3% |
| EBIT | 528,434 | 627,539 | -15.8% | 1,594,005 | 1,753,114 | -9.1% |
| EBITDA | 669,729 | 744,799 | -10.1% | 2,019,122 | 2,108,196 | -4.2% |
| Financial Income (Expense) | (72,671) | (91,791) | -20.8% | (229,466) | (288,294) | -20.4% |
| Income Before Taxes | 455,763 | 535,748 | -14.9% | 1,364,539 | 1,464,820 | -6.8% |
| NET INCOME | 289,674 | 343,887 | -15.8% | 861,345 | 935,808 | -8.0% |
| EPS - R\$ | 0.60 | 0.72 | -15.8% | 1.79 | 1.95 | -8.0% |

| 3Q09 Non-Recurring Effects - CPFL | |
|---|--------------------|
| Piratininga | R\$ million |
| Net Operating Revenue | |
| (+) Adjustment to the licensees' discounting methodology | 7 |
| (-) Recalculation of Tariff Revision (from October 2007 to June 2009) | (71) |
| Impact on Net Operating Revenue | (64) |
| Power Purchase | |
| (-) Reversal of regulatory asset related to the 2008 power purchase | (45) |
| Impact on Power Purchase | (45) |
| Impact on EBITDA | (109) |
| Financial Income/(Expense) | |
| (-) Reversal of financial income related to the regulatory asset | (3) |
| Impact on Financial Income/(Expense) | (3) |
| Impact on Income Tax and Social Contribution | 38 |
| Impact on Net Income | (74) |

2.1) Operating Revenue

Gross operating revenue in 3Q09 rose by 16.0% (R\$ 562 million) to R\$ 4,084 million, while net operating revenue increased by 13.2% (R\$ 315 million) to R\$ 2,704 million.

The increase in operating revenue was due to:

The distributors tariff adjustment:

CPFL Piratininga (+16.54%), effective as of October 23, 2008;

CPFL Santa Cruz (+24.09%), CPFL Leste Paulista (+12.94%), CPFL Jaguari (+11.36%), CPFL Sul Paulista (+11.64%) and CPFL Mococa (+11.18%), effective as of February 3, 2009;

CPFL Paulista (+21.22%), effective as of April 8, 2009;

RGE (+18.95%), effective as of April 19, 2009.

The 27.4% increase (R\$ 66 million) in electric power supply revenue, mainly due to the 35.0% increase in energy sales volume, due to the performance of the commercialization segment;

Net increase from the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A (R\$ 10 million). The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income;

An R\$ 8 million **non-recurring** increase (R\$ 7 million net of taxes) on the 2009 Tariff Adjustment Index of CPFL Piratininga, due to ANEEL adjustment to the licensees discounting methodology that was used in the 2008 Tariff Adjustment Index.

The rise in operating revenue was partially offset by the following factor:

The reversal of revenue related to adjustments to the 2009 Tariff Adjustment Index (IRT) of CPFL Piratininga, arising from the recalculation of its tariff revision by ANEEL, in the net amount of R\$ 81 million, R\$ 10.5 million of which related to 3Q09 (recurring item) and R\$ 70.8 million to the remaining months of the tariff year (**non-recurring item**).

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 64 million), 3Q09 net operating revenue would have totaled R\$ 2,768 million, 15.9% (R\$ 379 million) up on the R\$ 2,389 million recorded in 3Q08.

In 9M09, gross operating revenue was R\$ 11,598 million, representing growth of 9.0% (R\$ 956 million). Net operating revenue reached R\$ 7,753 million, equivalent to growth of 7.9% (R\$ 570 million).

2.2) Operating Costs and Expenses

The cost of electric power, comprising the purchase of electric power for resale and charges for the use of the distribution and transmission systems, increased by 27.9% (R\$ 376 million) to R\$ 1,727 million in 3Q09:

The cost of electric power purchased for resale in 3Q09 rose by 22.4% (R\$ 258 million) to R\$ 1,410 million. The main factors behind this variation were:

- (i) An upturn from the increase in the prices of power purchase contracts;
- (ii) The 5.8% (719 GWh) increase in the power purchased for resale, chiefly due to the following factors:

Increase of 2.9% (339 GWh) in the sales to final customers and to other concessionaires/licensees (bilateral contracts);

Increase of 3.6% (445 GWh), due to the energy acquisition from the auctions, with the purpose of fulfilling the power purchase regulatory requirements.

(iii) The impacts of regulatory assets and liabilities and the amortization and deferral of the CVA (R\$ 48 million), that had no impact on net income.

(iv) Reversal of the regulatory asset with respect to the purchase of energy in 2008 by CPFL Piratininga in the amount of R\$ 50 million (R\$ 45 million, net of PIS and COFINS tax credits). Due to the 2009 Tariff Readjustment process at the controlled company, ANEEL deemed the transactions with respect to the acquisition of energy through the Energy Trading Board (CCEE) as voluntary exposure, and for this reason not recognized as part of the value initially registered by the company. Although this matter is still at a preliminary basis, the company opted to establish a provision for it in the 3Q09 results (**non-recurring item**);

(v) The R\$ 9 million increase in cost related to the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A. The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income.

The increase in the power purchased for resale was partially offset by the upturn in PIS and COFINS credits on energy sales (R\$ 21 million).

Charges for the use of the distribution and transmission systems moved up by 59.5% (R\$ 118 million) to R\$ 316 million in 3Q09, mainly as a result of the following factors:

- (i) An upturn in basic network usage charges (R\$ 40 million);
- (ii) The impacts of regulatory assets and liabilities and the amortization and deferral of the CVA (R\$ 114 million), mainly due to the costs of activating the Thermoelectric Plants, on previous year;

(iii) The R\$ 1 million increase related to the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A. The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income.

Partially offsetting:

- (i) The reduction in system service usage charges (R\$ 20 million);
- (ii) The upturn in PIS and COFINS credits on charges (R\$ 14 million).

2.3) Operating Costs and Expenses

Operating costs and expenses moved up by 9.3% (R\$ 38 million) in 3Q09, reaching R\$ 449 million, due to:

The Private Pension Fund item, which recorded a R\$ 22 million increase in expenses, from revenue of R\$ 21 million in 3Q08 to an expense of R\$ 1 million in 3Q09, due to the expected estimated impact of CVM Deliberation 371/00 on actuarial assets and liabilities, as defined in the Actuarial Report;

PMSO, which reached R\$ 304 million in 3Q09, an increase of 4.4% (R\$ 13 million), due to, among other factors, the following effects:

- (i) The **non-recurring** increase related to the reversal of CPFL Paulista's provisions for doubtful debts, which generated a R\$ 5 million reduction in the subsidiary's expenses in 3Q08;
- (ii) The **non-recurring** increase in RGE (R\$ 2 million), due to the adjustment to the 3Q08 vacation expenses;
- (iii) The increase in CPFL Geração (R\$ 1 million), due to the operational start-up of the 14 de Julho Hydroelectric Power Plant, in December 2008.

The increase in PMSO was partially offset by the **non-recurring effect** related to the reduction in other operating costs/expenses caused by the recognition during the quarter of expenditures with projects for prospecting new businesses (R\$ 13 million). In the light of Law 11,638, these expenditures, which had been registered as a non-operating result in 3Q08, have now been booked to other operating costs/expenses.

Excluding these effects and the layoff expenses, 3Q09 PMSO would have totaled R\$ 299 million, 6.5% (R\$ 18 million) up on the R\$ 280 million recorded in 3Q08.

The main factors behind this upturn, after excluding the mentioned effects, were:

- (i) The 6.5% (R\$ 8 million) upturn in personnel expenses, chiefly due to the following factors:

Increase in CPFL Paulista (R\$ 4 million), CPFL Piratininga (R\$ 2 million) and RGE (R\$ 1 million), mainly due to the 2009 collective bargaining agreement;

Increase in CPFL Brasil (R\$ 1 million), mainly due to the 2009 collective bargaining agreement, to the personnel hiring, and to the smaller allocation of personnel overheads involving construction work;

Increase in CPFL Atende (R\$ 1 million), due to personnel hiring.

The higher personnel expenses were partially offset by the R\$ 1 million reduction in CPFL Santa Cruz.

(ii) The 11.3% (R\$ 2 million) increase in material expenses;

(iii) The 5.3% (R\$ 4 million) increase in expenses with third-party services, mainly as a result of the following factors:

Increase in CPFL Geração (R\$ 1 million) and RGE (R\$ 1 million), mainly due to the increase in consulting/auditing expenses;

Upturn in CPFL Brasil (R\$ 1 million) due to the increased hiring of outsourced labor, related to the increment in other operating revenue;

Increment in CPFL Paulista (R\$ 1 million).

(iv) Other operating costs/expenses, which recorded an upturn of 7.5% (R\$ 4 million), mainly because of the increase in legal and litigation expenses and indemnity payments (R\$ 4 million) due, among other factors, to the increase at RGE with respect to the provision for legal actions requiring the reimbursement of consumers for values relating to work on its distribution network (R\$ 2 million).

Depreciation and Amortization, which reached R\$ 97 million in 3Q09, an increase of 4.8% (R\$ 4 million), due to, among other factors, the upturn related to the operational start-up of the 14 de Julho Hydroelectric Power Plant, in December 2008 (R\$ 2 million).

2.4) EBITDA

Based on the factors described, CPFL Energia's 3Q09 EBITDA fell by 10.1% (R\$ 75 million) to R\$ 670 million.

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 109 million), 3Q09 EBITDA would have totaled R\$ 778 million, 4.5% (R\$ 34 million) up on the R\$ 745 million recorded in 3Q08.

In 9M09, EBITDA was R\$ 2,019 million, a reduction of 4.2% (R\$ 89 million).

2.5) Financial Result

The 3Q09 financial result was a net expense of R\$ 73 million, 20.8% (R\$ 19 million) lower than the R\$ 92 million recorded in 3Q08, thanks to:

Financial Revenues: decrease of 36.7% (R\$ 48 million), from R\$ 130 million in 3Q08 to R\$ 83 million in 3Q09, due to the following factors:

Reduction in Revenue from Financial Investments (R\$ 22 million), as a result of the reduction in the SELIC interest rate and cash equivalents;

Reduction in Monetary and Foreign Exchange Updates (R\$ 26 million), as a result of a higher foreign exchange devaluation.

Financial Expenses: decrease of 30.1% (R\$ 67 million), from R\$ 222 million in 3Q08 to R\$ 155 million in 3Q09, primarily caused by the following factors:

Reduction in Debt Charges (R\$ 39 million), mainly due to the decrease in the indexes used to update CPFL Energia's debt (CDI and IGP-M);

Reduction in Monetary and Foreign Exchange Update (R\$ 30 million), mainly due to Enercan's debts with the IDB and the BNDES, indexed to the dollar and a currency basket, respectively, which moved down by 8.9% in 3Q09,

versus a 20.3% increase in 3Q08.

2.6) Net Income

Net income in 3Q09 totaled R\$ 290 million, a decrease of 15.8% (R\$ 54 million), while net income per share came to R\$ 0.60.

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 74 million), 3Q09 net income would have come to R\$ 363 million, 5.6% (R\$ 19 million) up on the R\$ 344 million recorded in 3Q08.

In 9M09, net income was R\$ 861 million, a reduction of 8.0% (R\$ 74 million), while net income per share came to R\$ 1.79.

3) DEBT

3.1) Financial Debt (Including Hedge)

CPFL Energia's financial debt (including hedge) increased by 8.0% to R\$ 7,189 million in 3Q09. The main contributing factors to this variation were:

CPFL Geração and Generation Projects: funding (BNDES and other financial institutions), net of amortizations, totaling R\$ 464 million, with the following highlights:

- + CPFL Geração's debentures issuance, for debt rollover and investments funding (R\$ 425 million);
- + Funding of BNDES financing for Foz do Chapecó (R\$ 306 million);
- + Funding of working capital by CPFL Geração (R\$ 100 million);
- Amortization of the principal of CPFL Geração and Baesa's debentures (R\$ 161 million);
- Amortization of Furnas' loan for CPFL Geração (R\$ 93 million);
- Amortizations, net of funding, of BNDES financing for CPFL Geração, Baesa, Ceran and Enercan (R\$ 82 million).

CPFL Energia and Group's Distributors: funding (BNDES and other financial institutions), net of amortizations, totaling R\$ 25 million, with the following highlights:

- + Debentures issuance by RGE (R\$ 185 million), CPFL Paulista (R\$ 175 million), CPFL Brasil (R\$ 165 million), CPFL Piratininga (R\$ 100 million), CPFL Leste Paulista (R\$ 24 million), CPFL Sul Paulista (R\$ 16 million) and CPFL Jaguari (R\$ 10 million), for debt rollover and investments funding;

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- + Funding, net of amortizations, of BNDES financing for Group's Distributors, totaling R\$ 102 million;
- Amortization of the principal of CPFL Paulista (R\$ 288 million) and RGE's debentures (R\$ 205 million);
- Amortization of the principal of CPFL Piratininga's promissory notes (R\$ 100 million);
- Amortization of working capital by RGE, totaling R\$ 100 million;
- Amortizations, net of funding, carried out in compliance with Brazilian Central Bank Resolution 2770 by CPFL Piratininga and RGE, totaling R\$ 92 million.

Interest provision in the period, corresponding to incurred interest, net of interest paid, in the amount of R\$ 76 million.

| Financial Debt - 3Q09 (R\$ Thousands) | | | | | | | |
|--|-------------------|------------------|-------------------|------------------|-------------------|------------------|------------------|
| | Charges | | Principal | | Total | | Total |
| | Short Term | Long Term | Short Term | Long Term | Short Term | Long Term | |
| <u>Local Currency</u> | | | | | | | |
| BNDES - Repowering | 90 | - | 8,257 | 15,116 | 8,347 | 15,116 | 23,463 |
| BNDES - Investment | 1,224 | 8,242 | 306,252 | 2,222,108 | 307,476 | 2,230,350 | 2,537,826 |
| BNDES - Income Assets | 47 | - | 436 | 5,926 | 483 | 5,926 | 6,409 |
| Furnas Centrais Elétricas S.A. | - | - | 61,438 | - | 61,438 | - | 61,438 |
| Financial Institutions | 6,678 | - | 37,653 | 167,924 | 44,331 | 167,924 | 212,255 |
| Others | 548 | - | 21,212 | 32,468 | 21,760 | 32,468 | 54,228 |
| Subtotal | 8,587 | 8,242 | 435,248 | 2,443,542 | 443,835 | 2,451,784 | 2,895,619 |
| <u>Foreign Currency</u> | | | | | | | |
| IDB | 275 | - | 3,651 | 53,430 | 3,926 | 53,430 | 57,356 |
| Financial Institutions | 14,758 | 46,602 | 96,062 | 1,035,756 | 110,820 | 1,082,358 | 1,193,178 |
| Subtotal | 15,033 | 46,602 | 99,713 | 1,089,186 | 114,746 | 1,135,788 | 1,250,534 |
| <u>Debentures</u> | | | | | | | |
| CPFL Energia | 2,812 | - | - | 450,000 | 2,812 | 450,000 | 452,812 |
| CPFL Paulista | 23,655 | - | 64,302 | 749,428 | 87,957 | 749,428 | 837,385 |
| CPFL Piratininga | 20,868 | - | 200,000 | 300,000 | 220,868 | 300,000 | 520,868 |
| RGE | 17,227 | - | - | 589,815 | 17,227 | 589,815 | 607,042 |
| CPFL Leste Paulista | 578 | - | - | 23,868 | 578 | 23,868 | 24,446 |
| CPFL Sul Paulista | 382 | - | - | 15,920 | 382 | 15,920 | 16,302 |
| CPFL Jaguari | 241 | - | - | 9,936 | 241 | 9,936 | 10,177 |
| CPFL Brasil | 3,941 | - | - | 164,143 | 3,941 | 164,143 | 168,084 |
| CPFL Geração | 10,046 | - | - | 422,983 | 10,046 | 422,983 | 433,029 |
| BAESA | 454 | - | 6,249 | 25,054 | 6,703 | 25,054 | 31,757 |
| Subtotal | 80,204 | - | 270,551 | 2,751,147 | 350,755 | 2,751,147 | 3,101,902 |

| | | | | | | | |
|---------------------------------|----------------|---------------|----------------|------------------|----------------|------------------|------------------|
| Financial Debt | 103,824 | 54,844 | 805,512 | 6,283,875 | 909,336 | 6,338,719 | 7,248,055 |
| Hedge | - | - | - | - | 2,724 | (61,776) | (59,052) |
| Financial Debt Including | | | | | | | |
| Hedge | - | - | - | - | 912,060 | 6,276,943 | 7,189,003 |
| Percentage on total (%) | - | - | - | - | 12.7% | 87.3% | 100% |

With regard to financial debt, it is worth noting that R\$ 6,277 million (87.3% of the total) is considered long-term, and R\$ 912 million (12.7% of the total) is considered short-term.

3.2) Total Debt (Financial Debt + Hedge + Debt with the Private Pension Fund)

Total debt, comprising financial debt, hedge (asset/liability) and debt with the private pension fund, amounted to R\$ 7,689 million in 3Q09, growth of 6.1% . The average cost of debt fell from 13.2% p.a. in 3Q08 to 10.4% p.a. in 3Q09, due to the downturn in the IGP-M inflation rate (from 12.3% to -0.4%), and in the CDI interbank rate (from 11.6% to 11.2%) (accrued rates in the last 12 months).

As a result of the funding operations and amortizations, there was an increase in the CDI-pegged portion (from 52.5%, in 3Q08, to 59.3%, in 3Q09) and the TJLP-indexed portion (from 30.9%, in 3Q08, to 32.0%, in 3Q09), and a decrease in the portion tied to the IGP-M/IGP-DI (from 13.7%, in 3Q08, to 7.3%, in 3Q09).

The foreign-currency and IGP-M/IGP-DI debt would have come to 17.3% and 8.1% of the total, respectively, if banking hedge operations had been excluded. However, as we consider contracted swap operations, which convert the indexation of debt in dollars and yen to the CDI, the effective foreign-currency debt is 1.4% and all of this possesses a natural hedge (revenue with foreign exchange component).

3.3) Adjusted Net Debt

| R\$ Thousands | 3Q09 | 3Q08 | Var. |
|-------------------------------------|--------------------|--------------------|--------------|
| Total Debt | (7,689,053) | (7,248,383) | 6.1% |
| (+) Regulatory Asset/(Liability) | 62,422 | 445,263 | -86.0% |
| (+) Available Funds | 679,728 | 760,961 | -10.7% |
| (+) Judicial Deposit ⁽¹⁾ | 442,970 | 402,801 | 10.0% |
| (=) Adjusted Net Debt | (6,503,933) | (5,639,358) | 15.3% |

Note: (1) Related to the income tax of CPFL Paulista.

In 3Q09, adjusted net debt after the exclusion of the regulatory assets/(liabilities) and cash equivalents, totaled R\$ 6,504 million, an upturn of 15.3% (R\$ 865 million).

The Company closed 3Q09 with a Net Debt / EBITDA ratio of 2.39x. Excluding the balance of Foz do Chapecó Energia debt (related to Foz do Chapecó Hydroelectric Plant), which has not started generating net income to the group, the Net Debt / EBITDA would have been 2.10x.

4) INVESTMENTS

In 3Q09, R\$ 319 million was invested in business maintenance and expansion, of which R\$ 217 million in distribution, R\$ 95 million in generation and R\$ 7 million in commercialization and value added services (SVA). As result, CPFL Energia's investments totaled R\$ 879 million in 9M09.

Listed below are some of the main investments made by CPFL Energia in each segment:

(i) Distribution: strengthening and expanding the electricity system to keep pace with market growth, both in terms of energy sales and numbers of customers. Other allocations included electricity system maintenance and improvements, operational infrastructure, the upgrading of management and operational support systems, customer help services and research and development programs, among others;

(ii) Generation: chiefly focused on the Foz do Chapecó Hydroelectric Plant (ongoing construction project).

5) CASH FLOW

| Consolidated Cash Flow (R\$ Thousands) | | |
|--|------------------|--------------------|
| | 2Q09 | Last 12M |
| Beginning Balance | 731,056 | 760,961 |
| Net Income Including Social Contribution and Income Tax | 452,253 | 1,811,017 |
| Depreciation and Amortization | 143,887 | 570,120 |
| Interest on Debts and Monetary and Foreign Exchange Restatements | 140,714 | 662,135 |
| Consumers, Concessionaries and Licensees | 4,417 | (252,405) |
| Deferred Tariff Costs Variations | 144,749 | 350,022 |
| Income Tax and Social Contribution Paid | (99,847) | (574,275) |
| Interest on Debts Paid | (159,565) | (646,103) |
| Others | 45,486 | (29,851) |
| | 219,841 | 79,644 |
| Total Operating Activities | 672,094 | 1,890,660 |
| Investment Activities | | |
| Acquisition of Property, Plant and Equipment, and Intangibles | (319,393) | (1,244,520) |
| Others | 23,000 | 100,105 |
| Total Investment Activities | (296,393) | (1,144,415) |
| Financing Activities | | |
| Loans and Debentures | 1,144,330 | 2,434,112 |
| Principal Amortization of Loans and Debentures | (994,630) | (2,078,537) |
| Dividends Paid | (576,729) | (1,187,225) |
| Others | - | 4,172 |
| Total Financing Activities | (427,029) | (827,478) |
| Cash Flow Generation | (51,328) | (81,233) |
| Ending Balance - 09/30/2009 | 679,728 | 679,728 |

The cash flow balance closed 3Q09 at R\$ 680 million, 7.0% (R\$ 51 million) down on the opening figure. We highlight the following factors that contributed to this variation in the cash balance:

Cash increase:

(i) Cash from operating activities in the amount of R\$ 672 million;

(ii) Funds from loans and debentures, which exceeded amortizations by R\$ 150 million.

Cash decrease:

(i) Investments (sum of Acquisition of Property, Plant and Equipment and Intangibles accounts), in the amount of R\$ 319 million (detailed in item 4, Investments);

(ii) Dividend payments related to 1H09, in the amount of R\$ 577 million.

6) DIVIDENDS

On September 30, 2009, intermediary dividends related to 1H09 were paid to holders of common shares traded on the São Paulo Stock Exchange (BM&FBOVESPA). The total declared amount was R\$ 572 million, equivalent to R\$ 1.191201324 per share and corresponding to 100% of net income for the period.

On October 8, 2009, intermediary dividends related to 1H09 were paid to holders of ADRs, traded on the New York Stock Exchange (NYSE). The paid amount was equivalent to US\$ 1.9909 per ADR.

| CPFL Energia's Dividend Yield | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| | 1H07 | 2H07 | 1H08 | 2H08 | 1H09 |
| Dividend Yield - last 12 months ⁽¹⁾ | 10.9% | 9.7% | 7.6% | 7.3% | 7.6% |

Note: (1) Based on the average share price in the period.

The 1H09 dividend yield, calculated on the average share price in the period (R\$ 31.55) is 7.6% (last 12 months).

The declared amounts are in line with the Company's dividend policy, which states that shareholders will receive at least 50% of adjusted half-yearly net income as dividends and/or interest on equity (IOE).

7) STOCK MARKET

7.1) Share Performance

CPFL Energia, which has a current free float of 30.5%, is listed on both the BM&FBOVESPA and the NYSE. In 9M09, the shares appreciated 14.5% on the BM&FBOVESPA and 49.4% on the NYSE, closing the period priced at R\$ 31.94 per share and US\$ 54.01 per ADR, respectively.

7.2) Average Daily Volume

Note: Considers the sum of the average daily volume on the BM&FBOVESPA and the NYSE.

The daily trading volume in 9M09 averaged R\$ 26.2 million, of which R\$ 15.3 million on the BM&FBOVESPA and R\$ 10.9 million on the NYSE. The number of trades on the BM&FBOVESPA increased from a daily average of 918, in 2008, to 1,318, in 9M09.

7.3) Ratings

The following table shows the evolution of CPFL Energia's corporate ratings:

| Ratings of CPFL Energia - National Scale | | | | | | |
|--|---------|----------|----------|----------|----------|----------|
| Agency | | 2009 | 2008 | 2007 | 2006 | 2005 |
| Standard & Poor's | Rating | brAA+ | brAA+ | brAA- | brA+ | brA |
| | Outlook | Stable | Stable | Stable | Positive | Positive |
| Fitch Ratings | Rating | AA (bra) | AA (bra) | AA (bra) | A+ (bra) | A- (bra) |
| | Outlook | Positive | Positive | Stable | Stable | Stable |

Note: Close-of-period positions.

8) CORPORATE GOVERNANCE

CPFL Energia's corporate governance model is based on four basic principles – transparency, equity, accountability and corporate responsibility – and is adopted by all the companies in the CPFL Energia group.

CPFL Energia is listed on the Novo Mercado trading segment of the BM&FBOVESPA and its Level III ADRs are traded on the NYSE. The company's capital stock is composed of common shares only, and ensures tag-along rights equivalent to 100% of the amount paid to the controlling shareholders through a public offer in the case of disposal of control.

The mission of the Board of Directors and the Board of Executive Officers is to protect and value CPFL Energia's assets, pursuant to the Company's Bylaws, representing the interests of the shareholders and other agents with whom the Company and its Subsidiaries interact.

The Board of Directors' duties include defining the overall business guidelines and electing the Board of Executive Officers, among other responsibilities determined by the law and the Company's Bylaws. The Board is composed of six members representing the controlling shareholders and one independent member, all of them with a one-year term of office, reelection being admitted. It normally meets once a month but may be convened whenever necessary. The Chairman and the Vice-Chairman are elected among the Board of Directors' members and no member may serve on the Board of Executive Officers.

The Board of Directors constituted three committees with officially designated responsibilities to advise it on matters related to management of the business: the Human Resources Committee, Related Parties Committee and Management Processes Committee. Whenever necessary, ad hoc commissions are installed to advise the Board on such specific issues as corporate governance, strategies, budgets, energy purchases, new operations and financial policies.

CPFL Energia also maintains a permanent Fiscal Council comprising five members who also carry out the attributes of the Audit Committee, in accordance with the rules of the Securities and Exchange Commission (SEC). Members meet on a monthly basis and adopt a minimum calendar of activities, which includes periodic meetings with the internal and external auditors, and the Board of Executive Officers.

The Board of Executive Officers comprises one Chief Executive Officer and six Vice Chief Executive Officers, all of them with a two-year term of office, being admitted the reelection.

The Executive Officers represent the Company and manage its business in accordance with the long-term strategic plan. The Chief Executive Officer is responsible for nominating the Vice Chief Executive Officers. The statutory officers also occupy executive positions in the Subsidiaries, thereby ensuring that their corporate governance practices are in line with those of the holding company.

The composition of the Board of Directors, its Committees, Fiscal Council and Board of Executive Officers is available on the Company's website at www.cpfl.com.br/ir.

Arbitration Chamber

CPFL Energia is bound to submit all matters of arbitration to the BM&FBOVESPA's Market Arbitration Chamber, pursuant to the article 44 of the Company's Bylaws.

3Q09 Highlights

CPFL Energia awarded the confirmation of the corporate governance AA+ rating by Austin Rating;

Update of the CPFL Energia's Corporate Governance Policy and of the Internal Rules of CPFL Energia's Board of Directors.

9) SHAREHOLDERS STRUCTURE

CPFL Energia is a holding company, whose results depend directly on those of its subsidiaries.

9.1) Migration of Minority Shareholders from controlled companies to CPFL Energia

In accordance with CPFL Energia's Material Fact of October 28, 2009, it will be submitted to the shareholders General Meetings of the controlled companies CPFL Leste Paulista, CPFL Jaguari, CPFL Sul Paulista, CPFL Mococa, Jaguari Geração, CPFL Serviços and CPFL Santa Cruz a proposal to transform these controlled companies into fully merged subsidiaries of CPFL Energia.

The stock merger will involve the transference to CPFL Energia equity, through an increase in its capital, of all shares issued by these controlled companies, in the non-controlling shareholders names, resulting in the transformation of these controlled companies into subsidiaries of CPFL Energia. The new CPFL Energia ordinary shares issued as a result of the increase in capital will be handed over to the original non-controlling shareholders of these controlled companies.

The restructuring is designed to achieve the following objectives: (i) align the interests of all the shareholders that comprise the corporate structure of the companies of the CPFL Group; (ii) increase the Free Float of the Company and its respective shareholder base; (iii) mitigate the costs related to eventual corporate restructurings and all the corporate events which involve the companies of the CPFL Group, among which Ordinary General Meetings, the committees and other events of a corporate nature that involve the interests of the Company and all its controlled companies and current subsidiaries; (iv) equalize access to information and facilitate access to a broad capital market reflecting not only the situation of the Company as a member of differentiated levels of corporate governance, but also the natural consolidation of financial information of the companies and the consequent strengthening of the balance sheet which shall allow the Company to optimize access to the same quantity and quality of information with ensuing funding and acquisition costs; and (v) concentration of the liquidity of the shares of the operators in a single publicly-held company with benefits for the entire spectrum of shareholders.

10) PERFORMANCE OF THE BUSINESS SEGMENTS**10.1) Distribution Segment****10.1.1) Economic-Financial Performance**

| Consolidated Income Statement - Distribution (R\$ Thousands) | | | | | | |
|---|------------------|------------------|---------------|-------------------|------------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 3,651,182 | 3,123,156 | 16.9% | 10,329,227 | 9,505,294 | 8.7% |
| Net Operating Revenues | 2,308,961 | 2,049,800 | 12.6% | 6,634,249 | 6,220,254 | 6.7% |
| Cost of Electric Power | (1,670,149) | (1,320,834) | 26.4% | (4,638,030) | (4,040,049) | 14.8% |
| Operating Costs & Expenses | (335,830) | (295,964) | 13.5% | (996,727) | (907,740) | 9.8% |
| EBIT | 302,982 | 433,002 | -30.0% | 999,492 | 1,272,465 | -21.5% |
| EBITDA | 386,325 | 493,435 | -21.7% | 1,248,663 | 1,458,462 | -14.4% |
| Financial Income (Expense) | (30,698) | (25,482) | 20.5% | (159,421) | (159,853) | -0.3% |
| Income Before Taxes | 272,284 | 407,520 | -33.2% | 840,071 | 1,112,612 | -24.5% |
| NET INCOME | 181,094 | 266,370 | -32.0% | 620,035 | 796,516 | -22.2% |

Note: The distributors' financial performance tables are attached to this report in item 11.6.

| 3Q09 Non-Recurring Effects - CPFL | |
|---|--------------------|
| Piratiniga | R\$ million |
| Net Operating Revenue | |
| (+) Adjustment to the licensees' discounting methodology | 7 |
| (-) Recalculation of Tariff Revision (from October 2007 to June 2009) | (71) |
| Impact on Net Operating Revenue | (64) |
| Power Purchase | |
| (-) Reversal of regulatory asset related to the 2008 power purchase | (45) |
| Impact on Power Purchase | (45) |
| Impact on EBITDA | (109) |
| Financial Income/(Expense) | |
| (-) Reversal of financial income related to the regulatory asset | (3) |
| Impact on Financial Income/(Expense) | (3) |
| Impact on Income Tax and Social Contribution | 38 |
| Impact on Net Income | (74) |

Operating Revenue

Gross operating revenue in 3Q09 rose by 16.9% (R\$ 528 million) to R\$ 3,651 million, while net operating revenue increased by 12.6% (R\$ 259 million) to R\$ 2,309 million.

The increase in operating revenue was due to:

The distributors' tariff adjustment:

- CPFL Piratininga (+16.54%), effective as of October 23, 2008;
- CPFL Santa Cruz (+24.09%), CPFL Leste Paulista (+12.94%), CPFL Jaguari (+11.36%), CPFL Sul Paulista (+11.64%) and CPFL Mococa (+11.18%), effective as of February 3, 2009;
- CPFL Paulista (+21.22%), effective as of April 8, 2009;
- RGE (+18.95%), effective as of April 19, 2009.

Net increase from the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A (R\$ 10 million). The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income;

An R\$ 8 million **non-recurring** increase (R\$ 7 million net of taxes) on the 2009 Tariff Adjustment Index of CPFL Piratininga, due to ANEEL adjustment to the licensees' discounting methodology that was used in the 2008 Tariff Adjustment Index.

The rise in operating revenue was partially offset by the following factor:

The reversal of revenue related to adjustments to the 2009 Tariff Adjustment Index (IRT) of CPFL Piratininga, arising from the recalculation of its tariff revision by ANEEL, in the net amount of R\$ 81 million, R\$ 10.5 million of which related to 3Q09 (recurring item) and R\$ 70.8 million to the remaining months of the tariff year (**non-recurring item**).

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 64 million), 3Q09 net operating revenue would have totaled R\$ 2,373 million, 15.7% (R\$ 323 million) up on the R\$ 2,050 million recorded in 3Q08.

In 9M09, gross operating revenue was R\$ 10,329 million, representing growth of 8.7% (R\$ 824 million). Net operating revenue reached R\$ 6,634 million, equivalent to growth of 6.7% (R\$ 414 million).

Cost of Electric Power

The cost of electric power, comprising the purchase of electric power for resale and charges for the use of the distribution and transmission systems, increased by 26.4% (R\$ 349 million) to R\$ 1,670 million in 3Q09:

The cost of electric power purchased for resale in 3Q09 rose by 20.6% (R\$ 232 million) to R\$ 1,362 million. The main factors behind this variation were:

- (i) An upturn from the increase in the prices of power purchase contracts;
- (ii) The increase in the power purchased for resale, chiefly due to the energy acquisition from the auctions, with the purpose of fulfilling the power purchase regulatory requirements;
- (iii) The impacts of regulatory assets and liabilities and the amortization and deferral of the CVA (R\$ 48 million), that had no impact on net income.
- (iv) Reversal of the regulatory asset with respect to the purchase of energy in 2008 by CPFL Piratininga in the amount of R\$ 50 million (R\$ 45 million, net of PIS and COFINS tax credits). Due to the 2009 Tariff Readjustment process at the controlled company, ANEEL deemed the transactions with respect to the acquisition of energy through the Energy Trading Board (CCEE) as voluntary exposure, and for this reason not recognized as part of the value initially registered by the company. Although this matter is still at a preliminary basis, the company opted to establish a provision for it in the 3Q09 results (**non-recurring item**);
- (v) The R\$ 9 million increase in cost related to the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A. The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income.

The increase in the power purchased for resale was partially offset by the upturn in PIS and COFINS credits on energy sales (R\$ 18 million).

Charges for the use of the distribution and transmission systems moved up by 61.0% (R\$ 117 million) to R\$ 309 million in 3Q09, mainly as a result of the following factors:

- (i) An upturn in basic network usage charges (R\$ 38 million);
- (ii) The impacts of regulatory assets and liabilities and the amortization and deferral of the CVA (R\$ 114 million), mainly due to the costs of activating the Thermoelectric Plants, on previous year;

(iii) The R\$ 1 million increase related to the charging of the Extraordinary Tariff Revenue (RTE) to offset 2001 Parcel A. The amortization of Parcel A affected the revenue, the deductions from revenue and the cost of electric power, but had no impact on net income.

Partially offsetting:

- (i) The reduction in system service usage charges (R\$ 20 million);
- (ii) The upturn in PIS and COFINS credits on charges (R\$ 14 million).

Operating Costs and Expenses

Operating costs and expenses moved up by 13.5% (R\$ 40 million) in 3Q09, reaching R\$ 336 million, due to:

The Private Pension Fund item, which recorded a R\$ 21 million increase in expenses, from revenue of R\$ 20 million in 3Q08 to an expense of R\$ 1 million in 3Q09, due to the expected estimated impact of CVM Deliberation 371/00 on actuarial assets and liabilities, as defined in the Actuarial Report;

PMSO, which reached R\$ 252 million in 3Q09, an increase of 7.2% (R\$ 17 million), due to, among other factors, the following non-recurring effects:

- (i) The **non-recurring** increase related to the reversal of CPFL Paulista's provisions for doubtful debts, which generated a R\$ 5 million reduction in the subsidiary's expenses in 3Q08;
- (ii) The **non-recurring** increase in RGE (R\$ 2 million), due to the adjustment to the 3Q08 vacation expenses.

The increase in PMSO was partially offset by the **non-recurring effect** related to the reduction in other operating costs/expenses caused by the recognition during the quarter of expenditures with projects for prospecting new businesses (R\$ 1 million). In the light of Law 11,638, these expenditures, which had been registered as a non-operating result in 3Q08, have now been booked to other operating costs/expenses.

Excluding the non-recurring effects (and the layoff expenses), 3Q09 PMSO would have totaled R\$ 248 million, 4.9% (R\$ 12 million) up on the R\$ 237 million recorded in 3Q08.

The main factors behind this upturn, after excluding the mentioned effects, were:

- (i) The 4.0% (R\$ 4 million) upturn in personnel expenses, chiefly due to the increase in CPFL Paulista (R\$ 4 million), CPFL Piratininga (R\$ 2 million) and RGE (R\$ 1 million), mainly due to the 2009 collective bargaining agreement, partially offset by the R\$ 1 million reduction in CPFL Santa Cruz;
- (ii) The 5.6% (R\$ 1 million) increase in material expenses;
- (iii) The 2.2% (R\$ 1 million) increase in expenses with third-party services, mainly as a result of the increment in CPFL Paulista (R\$ 1 million);
- (iv) Other operating costs/expenses, which recorded an upturn of 11.7% (R\$ 5 million), mainly because of the increase in legal and litigation expenses and indemnity payments (R\$ 4 million) due, among other factors, to the increase at RGE with respect to the provision for legal actions requiring the reimbursement of consumers for values relating to work on its distribution network (R\$ 2 million).

Depreciation and Amortization, which reached R\$ 77 million in 3Q09, an increase of 2.8% (R\$ 2 million).

EBITDA

Based on the factors described, 3Q09 EBITDA fell by 21.7% (R\$ 107 million) to R\$ 386 million.

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 109 million), 3Q09 EBITDA would have totaled R\$ 495 million, 0.3% (R\$ 1 million) up on the R\$ 493 million recorded in 3Q08.

In 9M09, EBITDA was R\$ 1,249 million, a reduction of 14.4% (R\$ 210 million).

Financial Result

The 3Q09 financial result was a net expense of R\$ 31 million, 20.5% (R\$ 5 million) higher than the R\$ 25 million recorded in 3Q08, thanks to:

Financial Revenues: decrease of 48.0% (R\$ 55 million), from R\$ 115 million in 3Q08 to R\$ 60 million in 3Q09, due to the following factors:

Reduction in Revenue from Financial Investments (R\$ 20 million), as a result of the reduction in the SELIC interest rate and cash equivalents;

Reduction in Monetary and Foreign Exchange Updates (R\$ 35 million), as a result of a higher foreign exchange devaluation.

Financial Expenses: decrease of 35.6% (R\$ 50 million), from R\$ 141 million in 3Q08 to R\$ 91 million in 3Q09, primarily caused by the reduction in Debt Charges (R\$ 27 million) and in the Monetary and Foreign Exchange Update (R\$ 25 million), due to the decrease in the indexes used to update the debt (CDI and IGP-M) and to a higher foreign exchange devaluation.

Net Income

Net income in 3Q09 totaled R\$ 181 million, a decrease of 32.0% (R\$ 85 million).

Excluding the non-recurring effects related to the adjustments to the 2009 Tariff Adjustment Index of CPFL Piratininga (R\$ 74 million), 3Q09 net income would have come to R\$ 255 million, 4.4% (R\$ 12 million) down on the R\$ 266 million recorded in 3Q08.

In 9M09, net income was R\$ 620 million, a reduction of 22.2% (R\$ 176 million).

10.1.2) Tariff Adjustment

| Dates of Tariff Adjustments | |
|------------------------------------|--------------------------|
| Distribution Company | Date |
| CPFL Piratininga | October 23 th |
| CPFL Santa Cruz | February 3 rd |
| CPFL Leste Paulista | February 3 rd |
| CPFL Jaguari | February 3 rd |
| CPFL Sul Paulista | February 3 rd |
| CPFL Mococa | February 3 rd |

CPFL Paulista

April 8th

RGE

April 19th

10.1.2.1) CPFL Piratininga

Change in the Provisional Index of the Second Periodic Tariff Revision

On October 7, 2009, ANEEL, published in the *Diário Oficial da União*, the Resolution No. 887, of September 29, 2009, with the definitive result of the second Periodic Tariff Revision (2007) for CPFL Piratininga, due to the definitive adoption of the methodological improvements established on the Resolution No. 338/2008. The changes refer to the percentage of regulatory losses, to the ANEEL's reference company and to the calculation of the X Factor. As a result, the tariff repositioning was altered from -11.76% to -13.50% .

The new tariff became effective on October 23, 2009.

Approval of the Annual Tariff Adjustment Index

On October 20, 2009, ANEEL, through Resolution No. 896, adjusted CPFL Piratininga's electricity tariffs by 5.98%, 2.81% of which referred to the Tariff Adjustment per se and 3.17% to financial components outside the Annual Tariff Adjustment. The average impact on consumers was -2.12% .

The IGP-M inflationary index accrued during the tariff period was -0.4% and the exchange rate adopted by ANEEL was R\$/US\$ 1.778.

The new tariffs became effective as of October 23, 2009.

10.2) Commercialization and Services Segment

| Consolidated Income Statement - Commercialization and Services (R\$ Thousands) | | | | | | |
|---|----------------|----------------|---------------|------------------|------------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 550,300 | 562,188 | -2.1% | 1,504,211 | 1,499,956 | 0.3% |
| Net Operating Revenues | 495,924 | 482,629 | 2.8% | 1,314,310 | 1,278,238 | 2.8% |
| EBITDA | 90,260 | 93,980 | -4.0% | 224,903 | 212,581 | 5.8% |
| NET INCOME | 60,951 | 69,864 | -12.8% | 154,825 | 153,032 | 1.2% |

Operating Revenue

Gross operating revenue in 3Q09 decreased by 2.1% (R\$ 12 million) to R\$ 550 million, while net operating revenue moved up by 2.8% (R\$ 13 million) to R\$ 496 million.

In 9M09, gross operating revenue reached R\$ 1,504 million, representing an increase of 0.3% (R\$ 4 million). Net operating revenue was R\$ 1,314 million, equivalent to growth of 2.8% (R\$ 36 million).

EBITDA

EBITDA totaled R\$ 90 million in 3Q09, a decrease of 4.0% (R\$ 4 million).

In 9M09, EBITDA was R\$ 225 million, up 5.8% (R\$ 12 million).

Net Income

In 3Q09, net income amounted to R\$ 61 million, down by 12.8% (R\$ 9 million).

In 9M09, net income was R\$ 155 million, an increase of 1.2% (R\$ 2 million).

10.3) Generation Segment

| Consolidated Income Statement - Generation (R\$ Thousands) | | | | | | |
|---|----------------|----------------|--------------|----------------|----------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 256,604 | 235,113 | 9.1% | 729,291 | 646,996 | 12.7% |
| Net Operating Revenues | 239,646 | 219,854 | 9.0% | 681,198 | 604,796 | 12.6% |
| Cost of Electric Power | (11,101) | (20,211) | -45.1% | (36,705) | (60,405) | -39.2% |
| Operating Costs & Expenses | (51,131) | (48,203) | 6.1% | (147,344) | (136,690) | 7.8% |
| EBIT | 177,414 | 151,440 | 17.2% | 497,149 | 407,701 | 21.9% |
| EBITDA | 198,552 | 170,602 | 16.4% | 561,448 | 464,171 | 21.0% |
| Financial Income (Expense) | (43,185) | (69,331) | -37.7% | (158,481) | (202,178) | -21.6% |
| Income Before Taxes | 134,229 | 82,109 | 63.5% | 338,668 | 205,523 | 64.8% |
| NET INCOME | 88,206 | 57,812 | 52.6% | 257,230 | 172,256 | 49.3% |

Operating Revenue

Gross operating revenue grew by 9.1% (R\$ 21 million) to R\$ 257 million, while net operating revenue climbed by 9.0% (R\$ 20 million) to R\$ 240 million, chiefly due to the following factors:

Increase of R\$ 12 million in revenue at CPFL Geração due to the readjustment in the tariff for the wholesale supply of energy to:

- (i) Furnas, as a result of a 9.5% readjustment at Serra da Mesa HPP (R\$ 8 million);
- (ii) CPFL Paulista and CPFL Piratininga, due to the 8.2% readjustment at Barra Grande HPP (R\$ 2 million);
- (iii) CPFL Paulista, due to the 6.3% readjustment at the SHPs (R\$ 2 million).

Additional revenue of R\$ 8 million from Ceran for account of:

- (i) Tariff readjustment of 8.46% (R\$ 3 million);
- (ii) An additional 17 GWh of energy supplied from 14 de Julho HPP (R\$ 3 million);
- (iii) Effects of a revision of account entries with the Energy Trading Board (CCEE) for the period from December 2008 to March 2009 (R\$ 2 million).

Additional revenue of R\$ 6 million from Enercan as a result of an 11.6% tariff readjustment.

The increase in operating revenue was partially offset by the following factor:

Reduction of R\$ 5 million in carbon credits, being R\$ 4 million less from Ceran and R\$ 1 million from CPFL Geração, in relation to the amount registered in 3Q08.

In 9M09, gross operating revenue was R\$ 729 million, representing growth of 12.7% (R\$ 82 million). Net operating revenue was R\$ 681 million, equivalent to growth of 12.6% (R\$ 76 million).

Cost of Electric Power

The cost of electric power in 3Q09 decreased 45.1% (R\$ 9 million) to R\$ 11 million, chiefly due to the acquisition, in 3Q08, by the 14 de Julho Hydroelectric Power Plant, in the amount of R\$ 9 million, due to the delay in power generation and an assumed commitment to deliver power already contracted.

Operating Costs and Expenses

Operating costs and expenses moved up by 6.1% (R\$ 3 million) to R\$ 51 million in 3Q09, mainly due to the following factors:

The 13.4% (R\$ 2 million) increase in depreciation and amortization to R\$ 19 million, essentially due to the operational start-up of the 14 de Julho Hydroelectric Power Plant;

The Private Pension Fund item, which recorded a R\$ 0.5 million increase in expenses, from revenue of R\$ 0.4 million in 3Q08 to an expense of R\$ 0.1 million in 3Q09, due to the expected estimated impact of CVM Deliberation 371/00 on actuarial assets and liabilities, as defined in the Actuarial Report.

The increase in operating costs and expenses was partially offset by the following factor:

PMSO, which achieved R\$ 28 million, the same amount recorded in 3Q08, chiefly due to the 15.9% (R\$ 2 million) downturn in other operating costs and expenses, partially offset by the increases of 25.9% (R\$ 1.5 million) in outsourced services expenses and 10.1% (R\$ 0.6 million) in personnel expenses.

EBITDA

Based on the factors described, 3Q09 EBITDA totaled R\$ 199 million, up by 16.4% (R\$ 28 million).

In 9M09, EBITDA was R\$ 561 million, an increase of 21.0% (R\$ 97 million).

Financial Result

The 3Q09 financial result was a net expense of R\$ 43 million, 37.7% (R\$ 26 million) down on the R\$ 69 million recorded in 3Q08, thanks to:

Financial Revenues: an increase of 11.4% (R\$ 1 million), from R\$ 5 million in 3Q08 to R\$ 6 million 3Q09;

Financial Expenses: a reduction of 34.4% (R\$ 26 million), from R\$ 74 million in 3Q08 to R\$ 49 million in 3Q09, mainly due to:

(i) The Monetary and Foreign Exchange Updates item, which recorded a R\$ 14 million reduction, mainly due to Enercan's debts with the IDB and the BNDES, indexed to the dollar and a currency basket, respectively, which moved down by 8.9% in 3Q09, versus a 20.3% increase in 3Q08 (R\$ 22 million);

(ii) A R\$ 12 million decrease in Debt Charges, as a result of the decrease in the indexes used to update the debt (CDI and IGP-M).

Net Income

Net income in 3Q09 rose by 52.6% (R\$ 30 million) to R\$ 88 million.

In 9M09, net income was R\$ 257 million, an increase of 49.3% (R\$ 85 million).

Status of Generation Projects

Foz do Chapecó Hydroelectric Plant

Construction of the Foz do Chapecó Hydroelectric Plant is on schedule (79% of works completed). Commercial start-up is scheduled for 3Q10. CPFL Geração has a 51% share in the project, equivalent to an installed capacity and assured power of 436.1 MW and 220.3 average-MW, respectively.

Baldin Thermoelectric Plant

The Baldin Thermoelectric Plant is under construction (84% of works completed). Commercial start-up is scheduled for March 2010. The installed capacity is of 45 MW, with 24 average-MW of energy exported to CPFL Brasil, during the harvest season.

11) ATTACHMENTS**11.1) Statement of Assets CPFL Energia****(R\$ thousands)**

| | Consolidated | |
|--|---------------------|-------------------|
| ASSETS | 09/30/2009 | 06/30/2009 |
| CURRENT ASSETS | | |
| Cash and Banks | 679,728 | 731,056 |
| Consumers, Concessionaries and Licensees | 1,885,926 | 1,875,099 |
| Financial Investments | 41,208 | 39,648 |
| Recoverable Taxes | 234,800 | 211,850 |
| Allowance for Doubtful Accounts | (80,309) | (76,920) |
| Prepaid Expenses | 135,390 | 138,972 |
| Deferred Taxes | 169,928 | 210,164 |
| Materials and Supplies | 17,225 | 15,574 |
| Deferred Tariff Cost Variations | 381,234 | 502,560 |
| Derivative Contracts | 1,023 | 8,557 |
| Other Credits | 130,037 | 119,634 |
| TOTAL CURRENT ASSETS | 3,596,190 | 3,776,194 |
| NON-CURRENT ASSETS | | |
| Long-Term Liabilities | | |
| Consumers, Concessionaries and Licensees | 215,847 | 227,702 |
| Judicial Deposits | 645,887 | 628,890 |
| Financial Investments | 88,880 | 96,744 |
| Recoverable Taxes | 103,092 | 101,525 |
| Prepaid Expenses | 77,598 | 89,953 |
| Deferred Taxes | 1,065,083 | 1,101,566 |
| Deferred Tariff Cost Variations | 30,774 | 54,197 |
| Derivative Contracts | 62,772 | 93,109 |
| Other Credits | 151,891 | 158,831 |
| | 2,441,824 | 2,552,517 |
| Investments | 104,763 | 104,707 |
| Property, Plant and Equipment | 7,180,168 | 6,942,840 |
| Intangible | 2,542,532 | 2,577,761 |
| Deferred Charges | 16,067 | 17,049 |
| TOTAL NON-CURRENT ASSETS | 12,285,354 | 12,194,874 |
| TOTAL ASSETS | 15,881,544 | 15,971,068 |

11.2) Statement of Liabilities CPFL Energia

(R\$ thousands)

| LIABILITIES AND SHAREHOLDERS' EQUITY | Consolidated | |
|---|---------------------|-------------------|
| | 09/30/2009 | 06/30/2009 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accrued Interest on Debts | 23,620 | 48,989 |
| Accrued Interest on Debentures | 80,204 | 89,867 |
| Loans and Financing | 534,961 | 1,065,804 |
| Debentures | 270,551 | 491,332 |
| Suppliers | 954,594 | 981,939 |
| Taxes, Fees and Social Contributions | 424,530 | 439,021 |
| Deferred Taxes | 5,509 | 7,263 |
| Employee Pension Plans | 52,212 | 52,632 |
| Regulatory Charges | 93,493 | 72,122 |
| Dividends and Interest on Equity | 20,634 | 598,844 |
| Accrued Liabilities | 64,182 | 58,526 |
| Deferred Tariff Gains Variations | 149,148 | 92,995 |
| Derivative Contracts | 3,747 | 59,292 |
| Other Accounts Payable | 535,779 | 506,133 |
| TOTAL CURRENT LIABILITIES | 3,213,164 | 4,564,759 |
| NON-CURRENT LIABILITIES | | |
| Accrued Interest on Debts | 54,844 | 46,363 |
| Loans and Financing | 3,532,728 | 3,512,838 |
| Debentures | 2,751,147 | 1,825,308 |
| Suppliers | 53,319 | 63,982 |
| Taxes, Fees and Social Contributions | 2,191 | 2,396 |
| Deferred Taxes | 3,249 | 2,749 |
| Employee Pension Plans | 447,838 | 465,978 |
| Reserve for Contingencies | 111,487 | 118,445 |
| Deferred Tariff Gains Variations | 81,170 | 65,074 |
| Derivative Contracts | 996 | 817 |
| Other Accounts Payable | 230,964 | 199,107 |
| TOTAL NON-CURRENT LIABILITIES | 7,269,933 | 6,303,057 |
| NON-CONTROLLING SHAREHOLDERS' INTEREST | 85,612 | 82,611 |
| SHAREHOLDERS' EQUITY | | |
| Capital | 4,741,175 | 4,741,175 |
| Capital Reserves | 16 | 16 |
| Profit Reserves | 277,428 | 277,428 |
| Retained Earnings | 294,216 | 2,022 |

| | | |
|---|-------------------|-------------------|
| TOTAL SHAREHOLDERS' EQUITY | 5,312,835 | 5,020,641 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 15,881,544 | 15,971,068 |

11.3) Income Statement CPFL Energia**(R\$ thousands)**

| | Consolidated | | | | | |
|---|---------------------|------------------|------------------|-------------------|-------------------|------------------|
| | 3Q09 | 3Q08 | Variation | 9M09 | 9M08 | Variation |
| OPERATING REVENUES | | | | | | |
| Electricity Sales to Final Consumers | 3,424,933 | 3,020,484 | 13.39% | 9,837,147 | 9,212,895 | 6.78% |
| Electricity Sales to Distributors | 307,250 | 241,179 | 27.40% | 901,885 | 663,275 | 35.97% |
| Other Operating Revenues | 351,358 | 259,417 | 35.44% | 859,038 | 765,706 | 12.19% |
| | 4,083,541 | 3,521,080 | 15.97% | 11,598,070 | 10,641,876 | 8.99% |
| DEDUCTIONS FROM OPERATING REVENUES | | | | | | |
| | (1,379,432) | (1,132,211) | 21.84% | (3,844,973) | (3,458,459) | 11.18% |
| NET OPERATING REVENUES | 2,704,109 | 2,388,869 | 13.20% | 7,753,097 | 7,183,417 | 7.93% |
| COST OF ELECTRIC ENERGY SERVICES | | | | | | |
| Electricity Purchased for Resale | (1,410,494) | (1,152,071) | 22.43% | (3,960,184) | (3,598,115) | 10.06% |
| Electricity Network Usage Charges | (316,199) | (198,300) | 59.45% | (862,397) | (597,962) | 44.22% |
| | (1,726,693) | (1,350,371) | 27.87% | (4,822,581) | (4,196,077) | 14.93% |
| OPERATING COSTS AND EXPENSES | | | | | | |
| Personnel | (132,589) | (122,597) | 8.15% | (400,888) | (376,694) | 6.42% |
| Material | (17,056) | (15,313) | 11.38% | (48,920) | (44,988) | 8.74% |
| Outsourced Services | (91,269) | (86,184) | 5.90% | (273,881) | (258,420) | 5.98% |
| Other Operating Costs/Expenses | (63,263) | (67,224) | -5.89% | (179,410) | (191,788) | -6.45% |
| Employee Pension Plans | (918) | 21,038 | -104.36% | (2,758) | 63,116 | -104.37% |
| Depreciation and Amortization | (97,164) | (92,673) | 4.85% | (290,480) | (281,432) | 3.21% |
| Amortization of Concession's Intangible | (46,723) | (48,006) | -2.67% | (140,174) | (144,020) | -2.67% |
| | (448,982) | (410,959) | 9.25% | (1,336,511) | (1,234,226) | 8.29% |
| EBITDA | 669,729 | 744,799 | -10.08% | 2,019,122 | 2,108,196 | -4.23% |
| EBIT | 528,434 | 627,539 | -15.79% | 1,594,005 | 1,753,114 | -9.08% |
| FINANCIAL INCOME (EXPENSE) | | | | | | |
| Financial Income | 82,608 | 130,476 | -36.69% | 275,736 | 324,972 | -15.15% |
| Financial Expenses | (155,279) | (222,267) | -30.14% | (504,793) | (613,266) | -17.69% |
| Interest on Equity | - | - | - | (409) | - | - |

| | | | | | | |
|--|----------------|----------------|----------------|------------------|------------------|---------------|
| | (72,671) | (91,791) | -20.83% | (229,466) | (288,294) | -20.41% |
| INCOME BEFORE TAXES ON INCOME | 455,763 | 535,748 | -14.93% | 1,364,539 | 1,464,820 | -6.85% |
| Social Contribution | (44,584) | (50,896) | -12.40% | (132,644) | (137,218) | -3.33% |
| Income Tax | (117,995) | (138,584) | -14.86% | (362,664) | (384,540) | -5.69% |
| INCOME BEFORE EXTRAORDINARY ITEM AND NON-CONTROLLING SHAREHOLDERS' INTEREST | 293,184 | 346,268 | -15.33% | 869,231 | 943,062 | -7.83% |
| Non-Controlling Shareholders' Interest | (3,510) | (2,381) | 47.42% | (8,295) | (7,254) | 14.35% |
| Extraordinary Item net of Tax Effects | - | - | - | - | - | - |
| Reversal of Interest on Equity | - | - | - | 409 | - | - |
| NET INCOME | 289,674 | 343,887 | -15.76% | 861,345 | 935,808 | -7.96% |
| EARNINGS PER SHARE (R\$) | 0.60 | 0.72 | -15.76% | 1.79 | 1.95 | -7.96% |

11.4) Income Statement Consolidated Generation Segment**(Pro-forma, R\$ thousands)**

| | Consolidated | | | | | |
|---|---------------------|----------------|------------------|----------------|----------------|------------------|
| | 3Q09 | 3Q08 | Variation | 9M09 | 9M08 | Variation |
| OPERATING REVENUES | | | | | | |
| Electricity Sales to Final Consumers | - | 994 | -100.00% | 57 | 2,829 | -97.99% |
| Electricity Sales to Distributors | 251,859 | 223,530 | 12.67% | 719,839 | 621,306 | 15.86% |
| Other Operating Revenues | 4,745 | 10,589 | -55.19% | 9,395 | 22,861 | -58.90% |
| | 256,604 | 235,113 | 9.14% | 729,291 | 646,996 | 12.72% |
| DEDUCTIONS FROM OPERATING REVENUES | | | | | | |
| | (16,958) | (15,259) | 11.13% | (48,093) | (42,200) | 13.96% |
| NET OPERATING REVENUES | 239,646 | 219,854 | 9.00% | 681,198 | 604,796 | 12.63% |
| COST OF ELECTRIC ENERGY SERVICES | | | | | | |
| Electricity Purchased for Resale | (1,697) | (11,959) | -85.81% | (9,440) | (37,155) | -74.59% |
| Electricity Network Usage Charges | (9,404) | (8,252) | 13.96% | (27,265) | (23,250) | 17.27% |
| | (11,101) | (20,211) | -45.07% | (36,705) | (60,405) | -39.24% |
| OPERATING COSTS AND EXPENSES | | | | | | |
| Personnel | (7,027) | (6,385) | 10.05% | (21,556) | (18,448) | 16.85% |
| Material | (579) | (492) | 17.68% | (1,828) | (1,549) | 18.01% |
| Outsourced Services | (7,479) | (5,941) | 25.89% | (22,175) | (20,224) | 9.65% |
| Other Operating Costs/Expenses | (12,539) | (14,910) | -15.90% | (31,428) | (36,268) | -13.35% |
| Employee Pension Plans | (72) | 447 | -116.11% | (218) | 1,341 | -116.26% |
| Depreciation and Amortization | (19,157) | (16,889) | 13.43% | (57,305) | (49,441) | 15.91% |
| Amortization of Concession's Intangible | (4,278) | (4,033) | 6.07% | (12,834) | (12,101) | 6.06% |
| | (51,131) | (48,203) | 6.07% | (147,344) | (136,690) | 7.79% |
| EBITDA | 198,552 | 170,602 | 16.38% | 561,448 | 464,171 | 20.96% |
| EBIT | 177,414 | 151,440 | 17.15% | 497,149 | 407,701 | 21.94% |
| FINANCIAL INCOME (EXPENSE) | | | | | | |
| Financial Income | 5,627 | 5,050 | 11.43% | 16,883 | 14,746 | 14.49% |
| Financial Expenses | (48,812) | (74,381) | -34.38% | (139,739) | (181,664) | -23.08% |
| Interest on Equity | - | - | 0.00% | (35,625) | (35,260) | 1.04% |
| | (43,185) | (69,331) | -37.71% | (158,481) | (202,178) | -21.61% |

| | | | | | | |
|---|----------------|---------------|---------------|----------------|----------------|---------------|
| INCOME BEFORE TAXES ON INCOME | 134,229 | 82,109 | 63.48% | 338,668 | 205,523 | 64.78% |
| Social Contribution | (11,649) | (6,153) | 89.32% | (29,635) | (17,073) | 73.58% |
| Income Tax | (32,005) | (16,831) | 90.16% | (81,370) | (47,723) | 70.50% |
| INCOME BEFORE EXTRAORDINARY ITEM AND NON- CONTROLLING SHAREHOLDERS' INTEREST | 90,575 | 59,125 | 53.19% | 227,663 | 140,727 | 61.78% |
| Non-Controlling Shareholders' Interest | (2,369) | (1,313) | 80.43% | (6,058) | (3,731) | 62.37% |
| Extraordinary Item net of Tax Effects | - | - | - | - | - | - |
| Reversal of Interest on Equity | - | - | 0.00% | 35,625 | 35,260 | 1.04% |
| NET INCOME | 88,206 | 57,812 | 52.57% | 257,230 | 172,256 | 49.33% |

11.5) Income Statement Consolidated Distribution Segment**(Pro-forma, R\$ thousands)**

| | Consolidated | | | 9M09 | 9M08 | Variation |
|---|---------------------|------------------|------------------|-------------------|------------------|------------------|
| | 3Q09 | 3Q08 | Variation | | | |
| OPERATING REVENUES | | | | | | |
| Electricity Sales to Final Consumers | 3,296,335 | 2,863,276 | 15.12% | 9,430,088 | 8,725,362 | 8.08% |
| Electricity Sales to Distributors | 31,822 | 24,208 | 31.45% | 108,986 | 81,476 | 33.76% |
| Other Operating Revenues | 323,025 | 235,672 | 37.07% | 790,153 | 698,456 | 13.13% |
| | 3,651,182 | 3,123,156 | 16.91% | 10,329,227 | 9,505,294 | 8.67% |
| DEDUCTIONS FROM OPERATING REVENUES | | | | | | |
| | (1,342,221) | (1,073,356) | 25.05% | (3,694,978) | (3,285,040) | 12.48% |
| NET OPERATING REVENUES | 2,308,961 | 2,049,800 | 12.64% | 6,634,249 | 6,220,254 | 6.66% |
| COST OF ELETRIC ENERGY SERVICES | | | | | | |
| Electricity Purchased for Resale | (1,361,536) | (1,129,108) | 20.59% | (3,797,313) | (3,460,876) | 9.72% |
| Electricity Network Usage Charges | (308,613) | (191,726) | 60.97% | (840,717) | (579,173) | 45.16% |
| | (1,670,149) | (1,320,834) | 26.45% | (4,638,030) | (4,040,049) | 14.80% |
| OPERATING COSTS AND EXPENSES | | | | | | |
| Personnel | (114,342) | (108,148) | 5.73% | (344,926) | (332,598) | 3.71% |
| Material | (13,924) | (13,188) | 5.58% | (39,468) | (38,425) | 2.71% |
| Outsourced Services | (77,708) | (76,013) | 2.23% | (227,600) | (218,372) | 4.23% |
| Other Operating Costs/Expenses | (46,513) | (38,182) | 21.82% | (135,562) | (132,348) | 2.43% |
| Employee Pension Plans | (846) | 20,591 | -104.11% | (2,540) | 61,775 | -104.11% |
| Depreciation and Amortization | (77,238) | (75,170) | 2.75% | (230,852) | (230,217) | 0.28% |
| Amortization of Concession's Intangible | (5,259) | (5,854) | -10.16% | (15,779) | (17,555) | -10.12% |
| | (335,830) | (295,964) | 13.47% | (996,727) | (907,740) | 9.80% |
| EBITDA | 386,325 | 493,435 | -21.71% | 1,248,663 | 1,458,462 | -14.38% |
| EBIT | 302,982 | 433,002 | -30.03% | 999,492 | 1,272,465 | -21.45% |
| FINANCIAL INCOME (EXPENSE) | | | | | | |
| Financial Income | 60,210 | 115,687 | -47.95% | 225,602 | 279,998 | -19.43% |
| Financial Expenses | (90,908) | (141,169) | -35.60% | (318,105) | (376,771) | -15.57% |
| Interest on Equity | - | - | 0.00% | (66,918) | (63,080) | 6.08% |

| | | | | | | |
|--|----------------|----------------|----------------|----------------|------------------|----------------|
| | (30,698) | (25,482) | 20.47% | (159,421) | (159,853) | -0.27% |
| INCOME BEFORE TAXES ON INCOME | 272,284 | 407,520 | -33.19% | 840,071 | 1,112,612 | -24.50% |
| Social Contribution | (24,301) | (38,369) | -36.67% | (76,620) | (100,540) | -23.79% |
| Income Tax | (66,889) | (102,781) | -34.92% | (210,334) | (278,636) | -24.51% |
| INCOME BEFORE EXTRAORDINARY ITEM AND NON-CONTROLLING SHAREHOLDERS' INTEREST | 181,094 | 266,370 | -32.01% | 553,117 | 733,436 | -24.59% |
| Extraordinary Item net of Tax Effects | - | - | - | - | - | - |
| Non-Controlling Shareholders' Interest | - | - | - | - | - | - |
| Reversal of Interest on Equity | - | - | 0.00% | 66,918 | 63,080 | 6.08% |
| NET INCOME | 181,094 | 266,370 | -32.01% | 620,035 | 796,516 | -22.16% |

11.6 Economic-Financial Performance Distributors

(Pro-forma, R\$ thousands)

Summary of Income Statement by Distribution Company (R\$ Thousands)

| CPFL PAULISTA | | | | | | |
|---------------------------------|------------------|------------------|--------------|------------------|------------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 1,996,911 | 1,605,009 | 24.4% | 5,392,935 | 4,957,692 | 8.8% |
| Net Operating Revenues | 1,272,649 | 1,048,169 | 21.4% | 3,484,736 | 3,213,000 | 8.5% |
| Cost of Electric Power | (894,734) | (680,486) | 31.5% | (2,472,844) | (2,080,713) | 18.8% |
| Operating Costs & Expenses | (167,825) | (136,808) | 22.7% | (507,414) | (431,271) | 17.7% |
| EBIT | 210,090 | 230,875 | -9.0% | 504,478 | 701,016 | -28.0% |
| EBITDA | 245,929 | 250,253 | -1.7% | 613,340 | 764,941 | -19.8% |
| Financial Income (Expense) | (7,400) | (6,197) | 19.4% | (38,875) | (48,049) | -19.1% |
| Income Before Taxes | 202,690 | 224,678 | -9.8% | 465,603 | 652,967 | -28.7% |
| NET INCOME | 133,390 | 147,781 | -9.7% | 321,012 | 443,821 | -27.7% |

| CPFL PIRATININGA | | | | | | |
|---------------------------------|-----------------|----------------|----------------|------------------|------------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 746,409 | 700,968 | 6.5% | 2,338,086 | 2,129,989 | 9.8% |
| Net Operating Revenues | 435,605 | 465,021 | -6.3% | 1,438,648 | 1,407,177 | 2.2% |
| Cost of Electric Power | (377,305) | (303,419) | 24.4% | (1,017,625) | (973,337) | 4.6% |
| Operating Costs & Expenses | (71,570) | (61,532) | 16.3% | (213,363) | (183,757) | 16.1% |
| EBIT | (13,270) | 100,070 | -113.3% | 207,660 | 250,083 | -17.0% |
| EBITDA | 2,489 | 111,011 | -97.8% | 254,473 | 281,825 | -9.7% |
| Financial Income (Expense) | (9,360) | (9,026) | 3.7% | (28,993) | (28,175) | 2.9% |
| Income Before Taxes | (22,630) | 91,044 | -124.9% | 178,667 | 221,908 | -19.5% |
| NET INCOME | (14,780) | 60,127 | -124.6% | 125,130 | 153,957 | -18.7% |

| RGE | | | | | | |
|---------------------------------|----------------|----------------|--------------|------------------|------------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 720,688 | 656,089 | 9.8% | 2,063,107 | 1,931,131 | 6.8% |
| Net Operating Revenues | 474,798 | 427,562 | 11.0% | 1,350,924 | 1,267,947 | 6.5% |
| Cost of Electric Power | (324,842) | (276,824) | 17.3% | (924,636) | (806,450) | 14.7% |
| Operating Costs & Expenses | (77,712) | (75,719) | 2.6% | (212,834) | (219,152) | -2.9% |
| EBIT | 72,244 | 75,019 | -3.7% | 213,454 | 242,345 | -11.9% |
| EBITDA | 99,515 | 100,377 | -0.9% | 293,858 | 318,244 | -7.7% |
| Financial Income (Expense) | (12,904) | (11,646) | 10.8% | (85,783) | (85,159) | 0.7% |
| Income Before Taxes | 59,340 | 63,373 | -6.4% | 127,671 | 157,186 | -18.8% |
| NET INCOME | 39,152 | 40,780 | -4.0% | 121,138 | 142,461 | -15.0% |

| CPFL SANTA CRUZ | | | | | | |
|---------------------------------|---------------|---------------|--------------|----------------|----------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 77,542 | 66,985 | 15.8% | 217,067 | 200,787 | 8.1% |
| Net Operating Revenues | 53,476 | 48,055 | 11.3% | 147,882 | 145,532 | 1.6% |
| Cost of Electric Power | (29,349) | (26,937) | 9.0% | (89,632) | (77,481) | 15.7% |
| Operating Costs & Expenses | (7,649) | (8,811) | -13.2% | (26,811) | (34,274) | -21.8% |
| EBIT | 16,478 | 12,307 | 33.9% | 31,439 | 33,777 | -6.9% |
| EBITDA | 18,177 | 14,392 | 26.3% | 36,516 | 40,076 | -8.9% |
| Financial Income (Expense) | (280) | 138 | -302.9% | (2,868) | (1,500) | 91.2% |

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| | | | | | | |
|---------------------|---------------|--------------|--------------|---------------|---------------|---------------|
| Income Before Taxes | 16,198 | 12,445 | 30.2% | 28,571 | 32,277 | -11.5% |
| NET INCOME | 10,617 | 7,599 | 39.7% | 21,173 | 24,228 | -12.6% |

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Summary of Income Statement by Distribution Company (R\$ Thousands)

| CPFL LESTE PAULISTA | | | | | | |
|---------------------------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 28,925 | 25,168 | 14.9% | 84,167 | 71,230 | 18.2% |
| Net Operating Revenues | 20,333 | 17,426 | 16.7% | 59,265 | 48,638 | 21.8% |
| Cost of Electric Power | (10,718) | (7,465) | 43.6% | (34,023) | (20,353) | 67.2% |
| Operating Costs & Expenses | (3,538) | (4,550) | -22.2% | (11,243) | (13,475) | -16.6% |
| EBIT | 6,077 | 5,411 | 12.3% | 13,999 | 14,810 | -5.5% |
| EBITDA | 7,089 | 6,388 | 11.0% | 16,936 | 17,772 | -4.7% |
| Financial Income (Expense) | (440) | (161) | 173.3% | (2,014) | 576 | -449.7% |
| Income Before Taxes | 5,637 | 5,250 | 7.4% | 11,985 | 15,386 | -22.1% |
| NET INCOME | 4,163 | 3,040 | 36.9% | 9,548 | 9,735 | -1.9% |

| CPFL SUL PAULISTA | | | | | | |
|---------------------------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 33,420 | 28,677 | 16.5% | 98,909 | 88,446 | 11.8% |
| Net Operating Revenues | 21,924 | 18,889 | 16.1% | 66,740 | 58,318 | 14.4% |
| Cost of Electric Power | (13,420) | (10,110) | 32.7% | (39,993) | (32,881) | 21.6% |
| Operating Costs & Expenses | (3,553) | (4,420) | -19.6% | (12,903) | (12,984) | -0.6% |
| EBIT | 4,951 | 4,359 | 13.6% | 13,844 | 12,453 | 11.2% |
| EBITDA | 5,709 | 5,088 | 12.2% | 16,017 | 14,672 | 9.2% |
| Financial Income (Expense) | 144 | 625 | -77.0% | (553) | 300 | -284.3% |
| Income Before Taxes | 5,095 | 4,983 | 2.2% | 13,291 | 12,754 | 4.2% |
| NET INCOME | 3,990 | 3,230 | 23.5% | 10,861 | 8,961 | 21.2% |

| CPFL JAGUARI | | | | | | |
|---------------------------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 31,392 | 25,928 | 21.1% | 88,989 | 84,299 | 5.6% |
| Net Operating Revenues | 20,039 | 15,775 | 27.0% | 57,047 | 54,225 | 5.2% |
| Cost of Electric Power | (13,733) | (11,113) | 23.6% | (41,926) | (36,271) | 15.6% |
| Operating Costs & Expenses | (2,933) | (2,743) | 6.9% | (8,327) | (8,932) | -6.8% |
| EBIT | 3,373 | 1,919 | 75.8% | 6,794 | 9,022 | -24.7% |
| EBITDA | 3,981 | 2,502 | 59.1% | 8,558 | 10,796 | -20.7% |
| Financial Income (Expense) | (708) | 207 | -442.0% | (722) | 1,190 | -160.7% |
| Income Before Taxes | 2,665 | 2,125 | 25.4% | 6,072 | 10,213 | -40.5% |
| NET INCOME | 2,120 | 1,408 | 50.6% | 5,009 | 6,758 | -25.9% |

| CPFL MOCOCA | | | | | | |
|---------------------------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Gross Operating Revenues | 18,724 | 16,859 | 11.1% | 53,709 | 49,604 | 8.3% |
| Net Operating Revenues | 12,859 | 11,336 | 13.4% | 36,486 | 33,022 | 10.5% |
| Cost of Electric Power | (7,658) | (6,026) | 27.1% | (22,099) | (17,451) | 26.6% |
| Operating Costs & Expenses | (2,162) | (2,302) | -6.1% | (6,563) | (6,738) | -2.6% |
| EBIT | 3,039 | 3,008 | 1.0% | 7,824 | 8,833 | -11.4% |
| EBITDA | 3,436 | 3,387 | 1.4% | 8,965 | 10,011 | -10.4% |
| Financial Income (Expense) | 250 | 579 | -56.8% | 387 | 966 | -59.9% |
| Income Before Taxes | 3,289 | 3,586 | -8.3% | 8,211 | 9,799 | -16.2% |
| NET INCOME | 2,442 | 2,369 | 3.1% | 6,164 | 6,473 | -4.8% |

11.7) Sales to the Captive Market by Distributor (in GWh)

| CPFL Paulista | | | | | | |
|---------------|--------------|--------------|-------------|---------------|---------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 1,698 | 1,647 | 3.1% | 5,133 | 4,847 | 5.9% |
| Industrial | 1,429 | 1,455 | -1.8% | 4,002 | 4,190 | -4.5% |
| Commercial | 960 | 933 | 2.8% | 3,029 | 2,882 | 5.1% |
| Others | 881 | 879 | 0.3% | 2,542 | 2,460 | 3.3% |
| Total | 4,969 | 4,914 | 1.1% | 14,706 | 14,379 | 2.3% |

| CPFL Piratininga | | | | | | |
|------------------|--------------|--------------|-------------|--------------|--------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 735 | 704 | 4.4% | 2,254 | 2,124 | 6.1% |
| Industrial | 746 | 774 | -3.6% | 2,120 | 2,236 | -5.2% |
| Commercial | 397 | 399 | -0.5% | 1,256 | 1,215 | 3.4% |
| Others | 229 | 223 | 2.8% | 689 | 661 | 4.2% |
| Total | 2,107 | 2,100 | 0.4% | 6,319 | 6,236 | 1.3% |

| RGE | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 461 | 426 | 8.2% | 1,353 | 1,260 | 7.4% |
| Industrial | 578 | 675 | -14.4% | 1,675 | 1,938 | -13.6% |
| Commercial | 252 | 242 | 4.2% | 803 | 750 | 7.0% |
| Others | 459 | 453 | 1.4% | 1,516 | 1,474 | 2.8% |
| Total | 1,750 | 1,795 | -2.5% | 5,347 | 5,423 | -1.4% |

| CPFL Santa Cruz | | | | | | |
|-----------------|------------|------------|--------------|------------|------------|-------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 70 | 67 | 4.6% | 208 | 199 | 4.6% |
| Industrial | 40 | 40 | 0.9% | 116 | 112 | 3.8% |
| Commercial | 31 | 30 | 2.5% | 100 | 94 | 5.7% |
| Others | 70 | 81 | -13.8% | 216 | 214 | 0.9% |
| Total | 211 | 218 | -3.2% | 640 | 619 | 3.3% |

| CPFL Jaguari ⁽¹⁾ | | | | | | |
|-----------------------------|------------|------------|---------------|------------|------------|---------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 17 | 16 | 3.7% | 50 | 48 | 4.8% |
| Industrial | 69 | 67 | 3.0% | 195 | 206 | -5.4% |
| Commercial | 8 | 8 | 1.4% | 26 | 24 | 6.8% |
| Others | 9 | 29 | -69.8% | 35 | 89 | -60.6% |
| Total | 103 | 120 | -14.8% | 306 | 367 | -16.6% |

| CPFL Mococa | | | | | | |
|--------------|-----------|-----------|--------------|------------|------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 15 | 14 | 4.6% | 44 | 42 | 3.8% |
| Industrial | 15 | 15 | -0.3% | 43 | 42 | 1.4% |
| Commercial | 6 | 6 | 4.0% | 18 | 18 | 4.0% |
| Others | 14 | 17 | -16.4% | 39 | 42 | -7.1% |
| Total | 50 | 52 | -3.8% | 144 | 144 | -0.1% |

CPFL Leste Paulista

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| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
|--------------|-----------|-----------|--------------|------------|------------|--------------|
| Residential | 20 | 19 | 4.4% | 58 | 56 | 3.0% |
| Industrial | 17 | 16 | 6.2% | 50 | 48 | 3.9% |
| Commercial | 8 | 8 | 4.4% | 25 | 24 | 4.9% |
| Others | 28 | 38 | -25.5% | 75 | 83 | -10.4% |
| Total | 73 | 81 | -9.3% | 208 | 212 | -1.9% |

| CPFL Sul Paulista | | | | | | |
|-------------------|-----------|-----------|--------------|------------|------------|--------------|
| | 3Q09 | 3Q08 | Var. | 9M09 | 9M08 | Var. |
| Residential | 27 | 25 | 6.0% | 80 | 76 | 4.8% |
| Industrial | 34 | 35 | -2.5% | 101 | 107 | -5.6% |
| Commercial | 11 | 10 | 6.6% | 34 | 31 | 8.2% |
| Others | 21 | 23 | -7.4% | 65 | 67 | -2.5% |
| Total | 93 | 93 | -0.4% | 280 | 281 | -0.5% |

Note: (1) Reduction in Others of CPFL Jaguari, due to the exclusion of the Cemirim Cooperative from the distributor's market (Cemirim is now supplied by CPFL Paulista).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 10, 2009

CPFL ENERGIA S.A.

By: /s/ JOSÉ ANTONIO DE ALMEIDA
FILIPPO

José Antonio de Almeida Filippo
Name: Chief Financial Officer and Head of
Title: Investor Relations

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
