Periodic Tariff Review (RTP)
Cemig D - 2023

LATIBEX XCMIG | CMIG3 NÍVEL 1 | CMIG4 NÍVEL 1 | CIG LISTED NYSE | CIG.C LISTED NYSE

IBRX100 B3 IEE B3 ISE B3 ICO2 B3

CEMIG D – Periodic Tariff Review, 2023

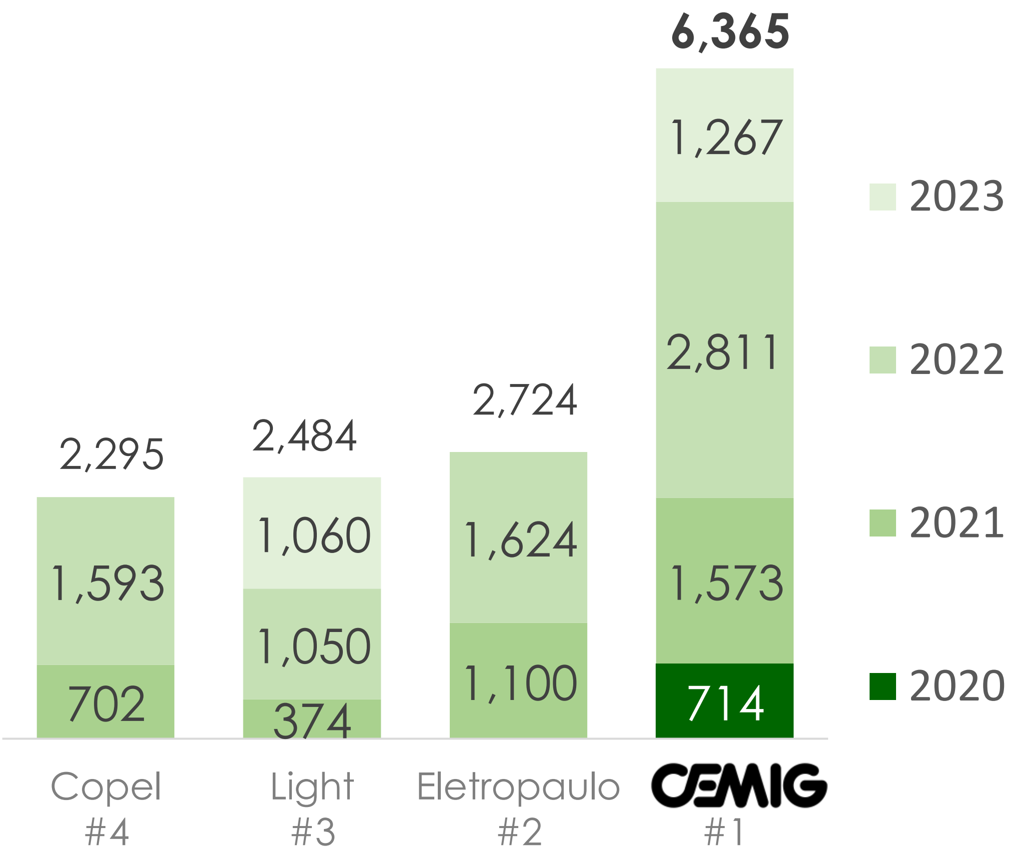
On May 23, 2023 Aneel approved its 5-year Periodic Tariff Review for **Cemig D**, coming into effect on **May 28**, 2023.

Consumer category: Captive consumers			
Residential consumers	**Low voltage: average**	**High voltage: average**	**Average effect for the consumer**
14.91%	15.55%	8.94%	13.27%

Cemig D serves more than **9 million** clients, in **774 municipalities** of the state of Minas Gerais

CEMIG D – Periodic Tariff Review, 2023

Of all the Brazilian electricity distributors, **Cemig D has returned the highest volume** of Pasep and Cofins **tax credits** to its consumers:



R$ mn

Minas Gerais consumers have received reimbursements of **R$ 6.4 billion on** their electricity bills

2023 – **Cemig D** credited its consumers with **R$ 1.3 billion**, resulting in a **6.2% reduction** in their tariffs.

2022 – **Cemig D**'s residential consumers had a tariff increase **of 5.2%**, while the average increase granted to the other distributors was **10.6%**

2021 – The reimbursement of tax credits given by Cemig D resulted in an annual **tariff adjustment of 0%.**

2020 – **Cemig D** was the **first company** to **reimburse these tax credits** to consumers

CEMIG D – Periodic Tariff Review, 2023

Average effect on tariffs

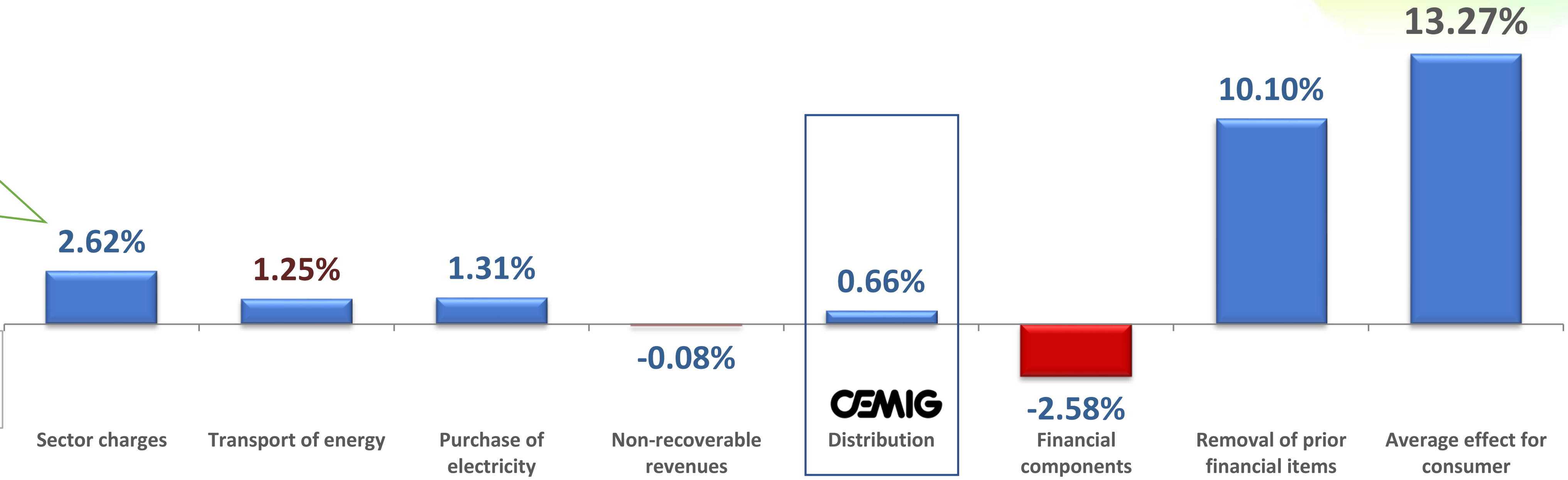
CDE* for use: –1.06%

CDE for Eletrobras: +1.75%

CDE for Covid + Scarcity + DG* +1.2%

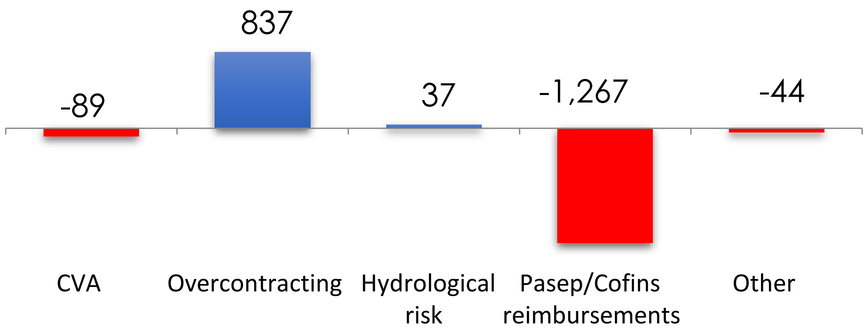
ESS*/ Proinfa: 0.7%

*CDE = Energy Development Account
DG = Distributed Generation
ESS = System Service Charge

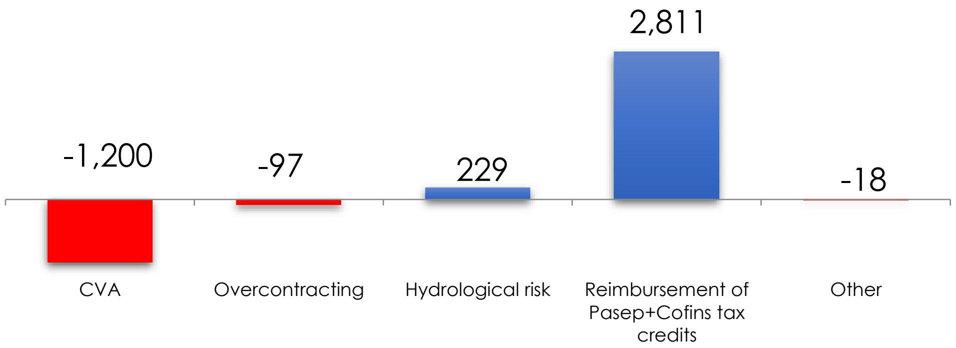


Financial Effect in R$ million

Financial Components (– 2.58%)



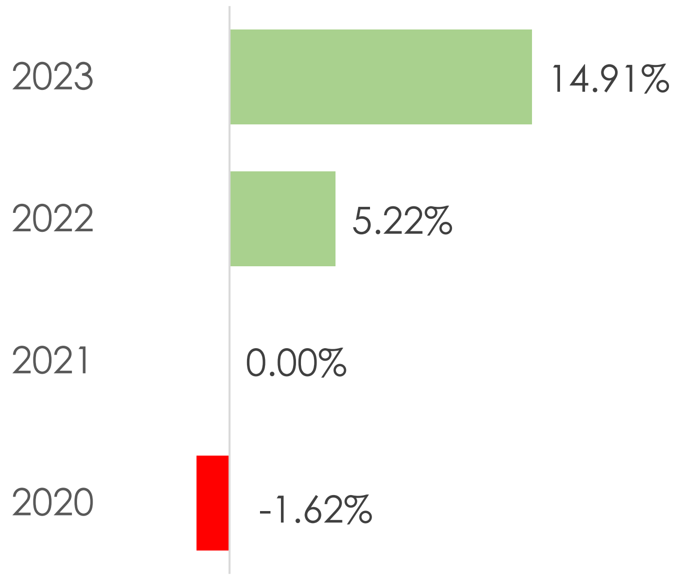
Prior Financial Components (10.10%)



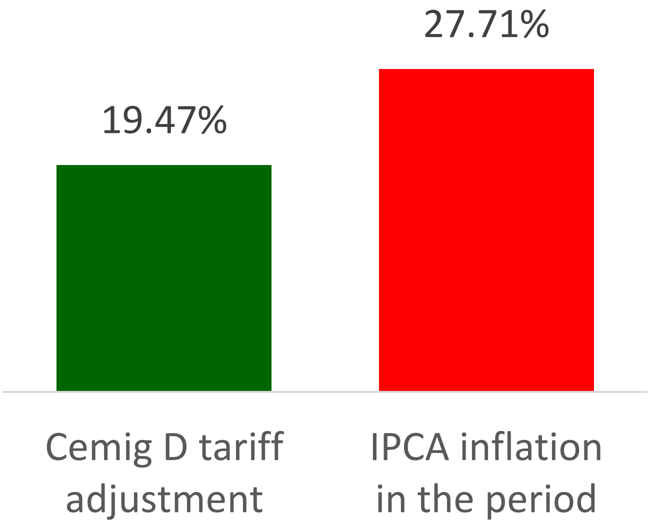
CEMIG D – Periodic Tariff Review, 2023

Cemig D is
the distributor that most contributed to keeping tariffs down in recent years

Cemig D: Residential revenue



Residential consumers: effect on tariffs vs. IPCA inflation index



2020 to 2023

Approximately 1.3 million families registered for the social tariff, representing 17% of Cemig´s total residential clients, with savings of up to 65% on their energy bills

CEMIG D – Periodic Tariff Review, 2023

The Company has taken several actions in regulatory management of the capitalized investments, to mitigate regulatory risks: providing monitoring mechanisms, instructions on regulation for the teams executing projects, improvements in control systems, and appropriation of the investments.

Items in calculation of Remuneration Base – R$ '000		2023 Tariff Review
01.	Fixed assets in Service (New Replacement Value)	58,280,503
02.	Full utilization index	67,259
03.	Gross Special Obligations	14,680,270
04.	Assets fully depreciated	17,946,066
05.	**Gross Remuneration Base = (1)–(2)–(3)–(4)**	**25,586,907**
06.	Accumulated depreciation	35,440,043
07.	Net market value of assets in service (AIS)	22,840,459
08.	Depreciated utilization ratio	32,679
09.	Value of Remuneration Base (VBR)	22,807,779
10.	Warehouse items in operation	14,446
11.	Special Obligations, net	8,026,549
12.	Land sites and easements	404,405
13.	**Total Net Remuneration Base = (1)–(6)–(8)+(10)–(11)+(12)**	**15,200,082**

CEMIG D – Periodic Tariff Review, 2023

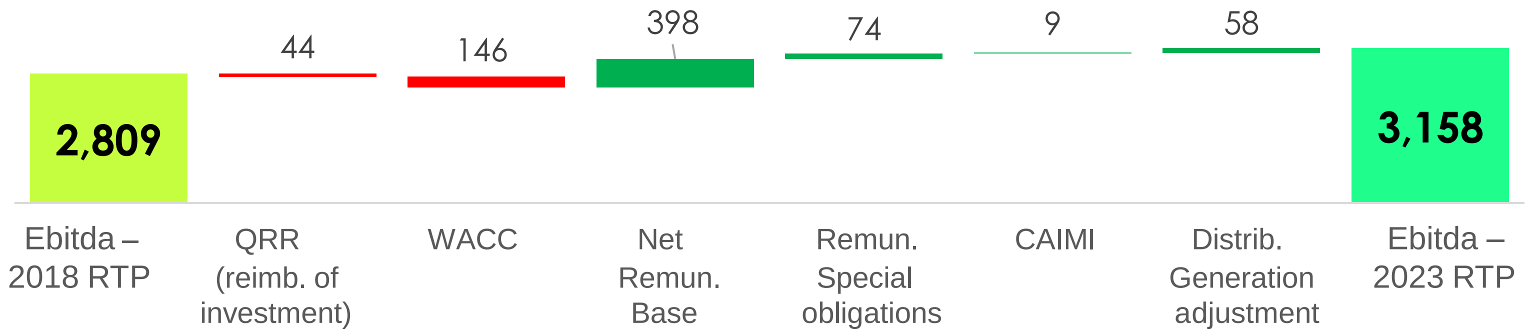
We continue to focus on remaining within the regulatory parameters, ensuring coverage of our total operational expenses

Description	2023 Tariff Review R$ '000
Operational costs	3,546,068
CAIMI (1)	484,105
Remuneration of capital	1,704,245
Remuneration on Special Obligations (2)	272,746
Depreciation	1,007,249
Gross profit adjustment per SCEE (3)	137,625
PORTION B	7,152,039
Tariff moderation passthrough (4)	(433,035)
PORTION B adjusted (5)	**6,719,003**

(1) Caimi = Aneel allowance for non-electricity assets
(2) Special obligations (investments by outside parties)
(3) SCEE = Electrical Energy Compensation System
(4) Tariff moderation passthrough = sharing of distribution poles, excess demand, etc.
(5) Amount of Portion B that goes to the tariff (perceived impact)

(Considering 22% of CAIMI in composition of Ebitda)

(2018 RTP is expressed in May 2023 currency)



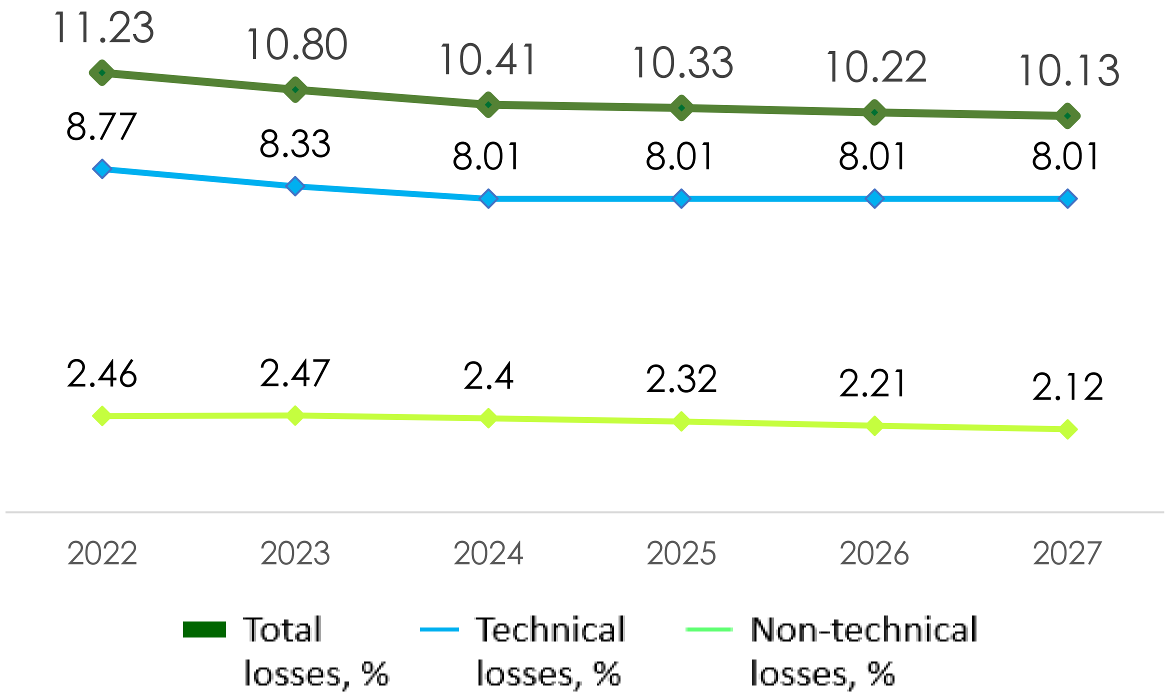
Increase in Ebitda

R$ 349 million

CEMIG D – Periodic Tariff Review, 2023

Regulatory losses, 2022–2027

% of total energy distributed

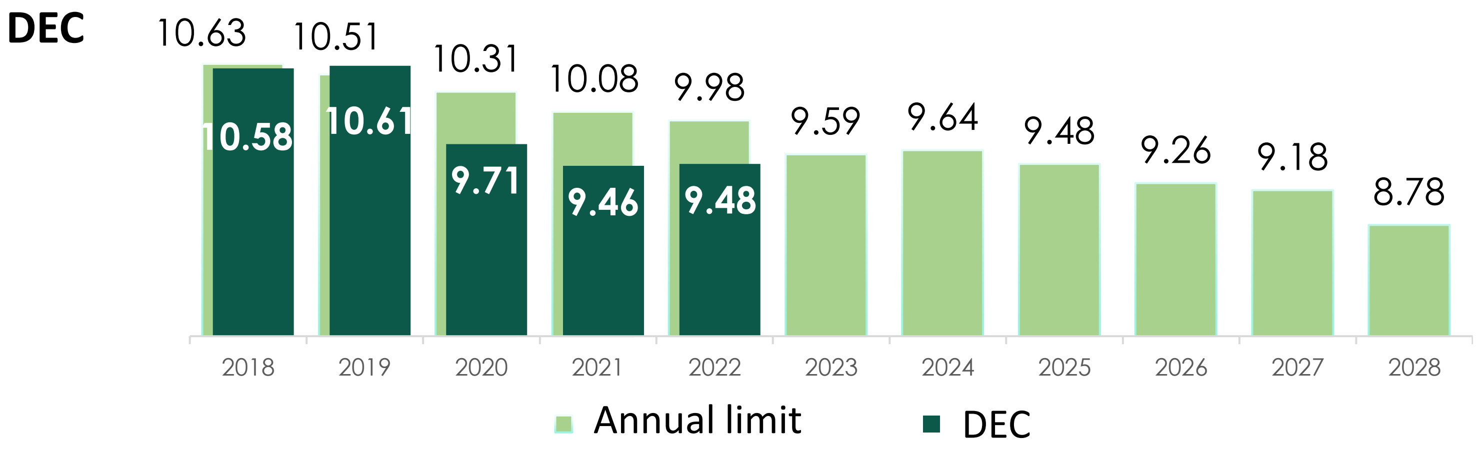


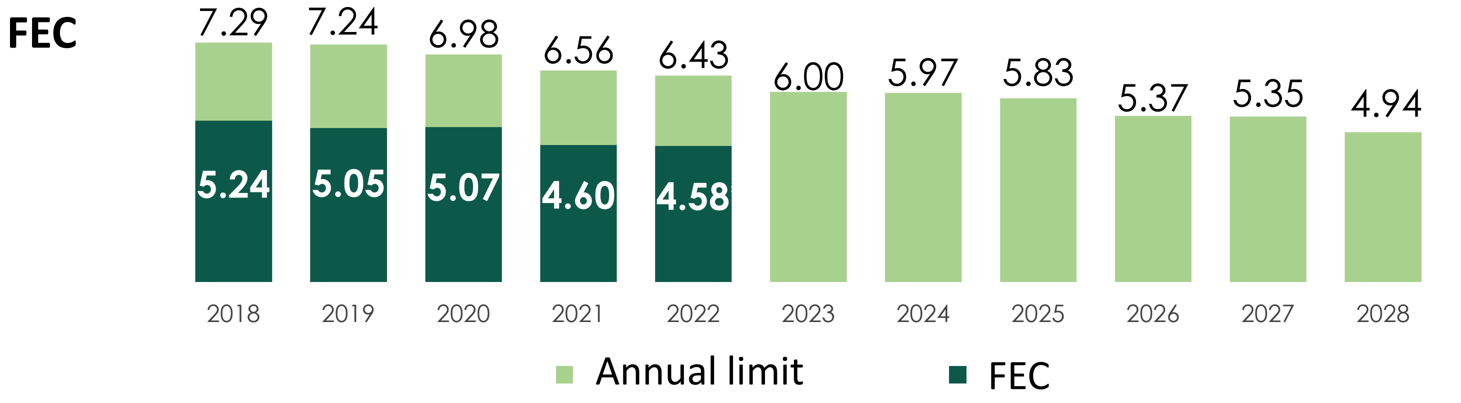
Robust investment, and actions under our **Energy Recovery Plan**, have enabled losses to be kept below the regulatory limits

CEMIG D – Periodic Tariff Review, 2023

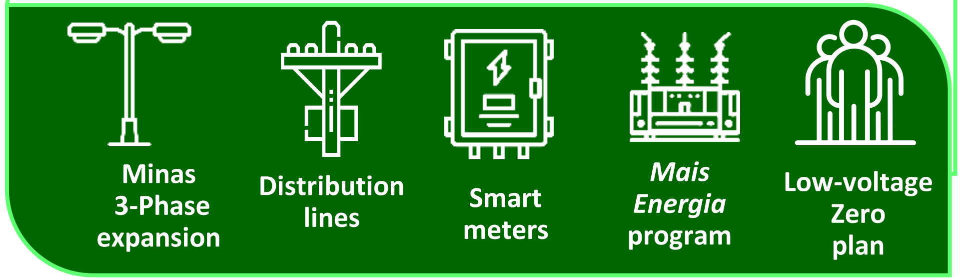
Focusing on investments in Minas Gerais State, Cemig has been improving the quality and agility of its services

Cemig D’s quality indicators





In spite of the challenges presented by the quality indicators, the investments presented by the Company’s strategic planning will guarantee that they are within regulatory limits probably over the period of the cycle.



Capex: LARGEST INVESTMENT PROGRAM IN CEMIG'S HISTORY

CEMIG

LARGEST INVESTMENT PROGRAM IN CEMIG'S HISTORY

CAPEX in 2018–2022: R$ 7.2 billion

HIGH VOLTAGE

R$ 2.5 billion – **64 substations** (new + expansions); **1,800 km of lines**

MEDIUM VOLTAGE

R$ 2.9 billion – **118,000 works,** connecting >**900,000** new clients, **194,000 Distributed Generation points**

PROTECTION OF REVENUE

R$ 0.4 billion – **235,000** smart meters, **substitution of 862,000** obsolete meters

IMPROVEMENT OF NETWORKS

R$ 1.4 billion – **18,500** reclosers, upgrading of **thousands of km of network**

CAPEX in 2023–2027: R$ 18.3 billion

MINAS 3-PHASE PROGRAM
Conversion from single to 3-phase
30,000 km

Construction of
3,524 km
distribution lines

1,250,000
Smart meters

LOW-VOLTAGE ZERO PLAN
246,000
connections to combat losses

***MAIS ENERGIA* program**
Building **136**
Substitutions

Investor Relations
+55 31 3506-5024 | ri@cemig.com.br
www.ri.cemig.com.br