

XVI Encontro Anual CEMIG-APIMEC



Corporate Management

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Corporate Management – Commitment to Cemig’s Vision

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Following Cemig Group’s commitment to its future vision, the Company aims for greater operational efficiency through:

- Optimization of processes
- Optimization of costs structure
- Deadline and internal bureaucracy reduction



Cemig's Corporate Management Structure

Corporate Management Department

Logistics

Supplies

HR

Telecom

IT





Faster service – reduced penalty payments – reduction of expenses

oNew Cemig vehicle fleet:

- More economic, modern and safe
- 854 passenger vehicles, 673 light trucks and 324 trucks
- Geocontrol monitoring system
- Gains for the consumer: faster service, especially in restoring outages
- Gains for the employee: comfort, health and safety
- Reduction of operational, maintenance and legal expenses, with estimated savings of R\$ 12 mn/year



Cemig is a state-controlled company that achieves better pricing than many private-sector companies at a fast pace.

- Effective online price registry system: “Simple Posting of Interest” (SRPP-RSI)
 - Simplest and fastest means to contract goods and services, through a single online auction (required by law for state-controlled companies)
 - Pioneer system in Brazil, in strict compliance with Minas Gerais State Government decrees
 - Strong impact on delivery times – drastically reducing time for acquisition of materials and services

- Umbrella benefits:
 - Abilities enabled State Decree 44787/08
 - Cemig and its group companies can take advantage of offers with attractive pricing posted in tender auctions held by other federal or state organization

Management's quality makes a difference

- Cemig's Leadership Development Program – executive education to ensure strategic competencies in a sustainable manner
- Highlights of International Leadership Program:
 - Sponsored by the Dom Cabral Foundation (FDC) jointly with France's INSEAD (Business School for the World), the Program is recognized for its innovative approach and its capacity to transform organizations through education of its leaders
 - Aims to expand the leaders' vision in terms of economic and financial sustainability through best management practices, and train them for expansion of their area of operation beyond present geographical limits

The synergies of SAP are a proofpoint for our growth strategy:

- Agreement with SAP includes the Cemig Group Program PSLE (Product Support for Large Enterprises) offered to leading SAP clients worldwide
- Main aim is to reduce SAP product maintenance rate from 22% to 17% per year
- Agreement extends this benefit to other companies of the Group that run SAP products, including: Light, Cemig Saúde, Cemig Telecom, Forluz, Gasmig, Indi and Taesa



Implementation of the Asset Control Manual (MCPSE)

Better recognition of our Regulatory Remuneration Base

- Aneel's Resolution 367 (June 2, 2009) created a new system (MCPSE) for registering the elements of fixed assets of generation, transmission and distribution companies whose assets revert to ownership by the Nation on expiration of concessions
- Financial regulation and structure of the registry will enable more effective controls, which facilitates characterization of assets and accurate records
 - Controlled and registered assets
 - Regulatory Remuneration Base (BRR) is reliable
 - Adequate asset depreciation and investment return indicators used for granted services
 - Benefits in the tariff review process

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