

Equatorial Energia S.A.

Public-Held Company

CNPJ/MF nº 03.220.438/0001-73

MATERIAL FACT

Rio de Janeiro, October 30, 2016 - **Equatorial Energia S.A. ("Company")** (**"BM&FBOVESPA: EQTL3"**) informs the Market that, at the 2nd Phase of the Transmission Auction #013/2015 held on October 28, 2016, won the following lots:

Lot	State	Capex Forecast R\$ '000	Maximum Annual Revenue R\$ '000	Bid Annual Revenue R\$ '000	Discount	Start
8	Bahia	444.834	92.657	77.832	16,00%	Feb/22
9	Bahia	466.115	98.038	70.588	28,00%	Feb/22
12	Bahia / Piauí	547.501	114.332	102.900	10,00%	Feb/22
14	Minas Gerais / Bahia	1.060.089	223.057	185.598	16,79%	Feb/22
15	Minas Gerais / Bahia	433.199	91.108	85.642	6,00%	Feb/22
16	Minas Gerais	504.598	106.179	106.179	0,00%	Feb/22
23	Pará	426.985	89.785	89.784	0,00%	Feb/22
TOTAL		3.883.321	815.156	718.523		

It is important to highlight that "Capex Forecast" and the "Start" in the above table are the ones calculated at the Auction Notice or at the Technical Note #25/2016-SEL-SCT/ANEEL and do not reflect the final assumptions considered by the Company.

All the projects are applicable to SUDENE fiscal incentive, totally or partially.

The entrance of the Company in the transmission segment was an opportunity to diversify its scope within the Brazilian electric energy sector with adequate returns, controlled risk and cash flow predictability. We believe that the management capacity we currently employ in the distribution segment will be vital during the construction and, later, the operation period.

EDUARDO HAIAMA

Chief Financial and Investor Relations Officer

EQUATORIAL ENERGIA S.A.