



COMPANHIA PARANAENSE DE ENERGIA - COPEL
Corporate Taxpayers' ID (CNPJ): 76.483.817/0001-20
Publicly-held Company - CVM 1431-1

RI COPEL 018 / 2007

COMMUNICATION TO THE MARKET

TOTAL SPLIT-OFF AND LIQUIDATION OF COPEL PARTICIPAÇÕES S.A.

Companhia Paranaense de Energia – COPEL, in compliance with CVM Instruction No. 358/2002, informs the market that the Company's Board of Directors, at its 119th ordinary meeting held on November 27, 2007, approved the corporate restructuring which involves assumption of assets and liabilities of COPEL Participações by the holding company COPEL and by COPEL Geração, and the consequent liquidation of COPEL Participações.

Reasons: The reorganization is part of the process of implementing the best practices of corporate governance in the COPEL group, promoting greater transparency and to simplify the group's shareholding structure and reduce costs as this will rationalize and simplify the structures of the companies involved, thus bringing in administrative, economic, financial and tax benefits through a reduction of combined operating expenses.

Assets split off: The assets split off from Copel-PAR to be reverted to Copel-GER consist of stakes in power generation and transmission consortia, while the assets split off from Copel-PAR to be reverted to the holding company COPEL consist of other shareholding interests.

The transfer of assets and liabilities will not involve any financial payouts because all the companies involved in the operation are wholly-owned subsidiaries of COPEL.

Curitiba, November 27, 2007

Paulo Roberto Trompczynski
CFO and IRO

