

COMPANHIA PARANAENSE DE ENERGIA - COPEL
Corporate Taxpayer's ID (CNPJ) 76.483.817/0001-20
PUBLICLY-HELD COMPANY
CVM Register 1431-1

**MINUTES OF THE ONE HUNDRED AND FOURTEENTH BOARD OF DIRECTORS' MEETING
HELD ON OCTOBER 2, 2006**

On October 2, 2006, at 2.30 p.m., the undersigned members of the Board of Directors met at the Company's headquarters, at Rua Coronel Dulcídio nº 800 - 10º andar, Curitiba – PR: Mr. João Bonifácio Cabral Júnior, Chairman of the Board, called the meeting to order and, after having duly justified the absences, greeted those present, recorded the presence of Mr. Antonio Rycheta Arten, Chairman of the Fiscal Council and announced that the meeting had been called to discuss the following agenda: **1. The substitution of Copel's representative on the Deliberative Committee of UEG Araucária Ltda.; 2. Relevant updates on UEG Araucária Ltda.; 3. The acquisition of Wobben Windpower Ind. e Com. Ltda.'s holdings in Centrais Eólicas do Paraná Ltda.; and 4. Other issues relevant to the Board.**

Item 1 – The Substitution of Copel's representative on the Deliberative Committee of UEG Araucária Ltda. The Chairman announced that, due to Mr. Robson Luiz Rossetin's resignation as a sitting member of UEG Araucária Ltda.'s Deliberative Committee and in order for that company's activities not to be interrupted, the 1696th Board of Executive Officers Meeting, held on August 23, 2006, had appointed Mr. Raul Munhoz Neto to fill said position, *ad referendum* to the Board of Directors, and suggested that he also assume the chairmanship of said Committee. After due deliberation, Mr. Raul Munhoz Neto's appointment was approved.

Item 2 – Relevant updates on UEG Araucária Ltda. Mr. José Danilo Tavares, Assistant Telecommunications and Power Generation and Transmission Manager took the floor and gave an account of the recommissioning tests, authorized by the 1690th meeting of the Board of Executive Officers, held on July 10, 2006, and successfully completed on September 8 of the same year. He pointed out that UEG Araucária had been available for emergency operations since September 9, 2006 and also presented input on the ongoing negotiations regarding the leasing of the plant to Petrobras. The Board members thanked him for the information.

Item 3 – The acquisition of Wobben Windpower Ind. e Com. Ltda.'s holdings in Centrais Eólicas do Paraná Ltda. Mr. Edílson Bertholdo, Manager of the Control of Financial Results Department, took the floor and updated those present on the study into the acquisition of Wobben Windpower Ind. e Com. Ltda.'s holdings in Centrais Eólicas do Paraná Ltda., announcing that a firm of auditors had been hired to assess said acquisition. The Board resolved that the issue would be resubmitted for its appreciation after said evaluation and the submission by the CFO and Investor Relations Officer of the internal reasoning that led to the decision to acquire these holdings.

Item 4 - Other issues relevant to the Board of Directors. The Chairman announced that, in view of the decision made at the 1701st Meeting of the Board of Executive Officers of September 25, 2006, the Board had requested the addition of the following topic to the agenda:

4.1 Companhia Paranaense de Gás – Compagás' margin on the provision of gas to UEG Araucária Ltda. Mr. Paulo Trompczynski took the floor and, referring to the gas purchase agreement for UEG Araucária Ltda., reported there was an outstanding issue with Companhia Paranaense de Gás – Compagás related to the latter's margin on the payment for the use of the gas pipeline to the plant, which had not been part of the negotiations related to the purchase of UEG Araucária and the gas payments to Petrobras. He pointed out that the minimum margin is established by the National

Petroleum Agency (ANP) and that the historical value for this margin, pursuant to the previously executed agreement, was R\$ 26,334,000.00 (twenty-six million, three hundred and thirty-four thousand reais). Considering:

a) that Copel Participações owns 51% of Compagás' capital and that non-reception of this amount would have a negative effect on the latter's accounts, in turn jeopardizing Copel's consolidated accounts;

b) that the other partners in Compagás would be unlikely to approve a reduction in said amount;

c) that the proposal to "freeze" said amount until January, 2010, after which time it would be adjusted by the SELIC rate and paid in 60 (sixty) installments, had been welcomed by the other partners; and

d) that the result of this transaction, despite being executed in a different form, would be (proportionally) equivalent to that obtained in the gas purchase agreement with Petrobras, approved by the 76th Extraordinary Board of Directors' Meeting of April 17, 2006, and the 1701st Board of Executive Officers' Meeting of September 25, 2006;

the Board decided to approve, by unanimous vote, the proposal to execute the agreement and the consequent payment of R\$ 26,334,000.00 (twenty-six million, three hundred and thirty-four thousand reais) in sixty equal and consecutive installments to Compagás as of January 2010, said amount being "frozen" until that date and adjusted by the SELIC thereafter.

There being no further issues to address, the Chairman thanked all the members of the Board in attendance for their presence and declared the meeting closed. -----

JOÃO BONIFÁCIO CABRAL JÚNIOR
Chairman

RUBENS GHILARDI
Secretary

ACIR PEPES MEZZADRI

LUIZ ANTONIO RODRIGUES ELIAS

NELSON FONTES SIFFERT FILHO

ROGÉRIO DE PAULA QUADROS

SERGIO BOTTO DE LACERDA