



IR COPEL 01/04 - January 12, 2004

December rain fill Southreservoirs UP

Foz do Areia, Copel's largest power plant, is about to reach 100% of its full capacity

The abundance of rain in the past 60 days has already placed the storage levels of the hydroelectric power plants in the region back to satisfactory levels, tranquilizing the technicians responsible for the operation of the National Integrated System.

By the end of this Wednesday, December 7, the average storage level of the power plants located on the three Southern States was at 90.28% - an indicator that was below 30% during the peak of the dry season in the second half of October. At River Iguaçu, where five large power plants operate, responding, together, for 60% of region's hydraulic generation capacity, current average storage level is at 94%: by the end of October, it was below 15%.

An illustrative case of the fast recovery of the reservoirs is the Foz do Areia Power Plant, officially named Governador Bento Munhoz da Rocha Neto, the largest of the five units in operation at River Iguaçu, and also Copel's main generation unit. By October 24, its lake reached 708.40 meters in relation to the sea level, the lowest since it was established in 1980. When the reservoir is full, the water mirror reaches 742 meters: which means that the dry season led to a reduction of 33.60 meters in the storage level - a water column with a height equivalent to an eleven-floor building. On this Wednesday, only 65 centimeters were needed to reach the maximum level of operation.

Risks Overcome

The absence of rain and the consequent emptying of the reservoirs, given the seven months of dry season (from April to October), caused a lot of apprehension at the time, motivating electric utilities from Paraná, Santa Catarina and Rio Grande do Sul to propose to the ONS - National Operator of the Electric System some actions in September, in order to guarantee the supply to the market.

Among the measures adopted - and which were very effective, not only to attend the market, but also to speed up the reestablishment of the water supply - were the maximization of the reception of the energy produced by the Brazilian Southeast electric system and the full utilization of the generation capacity of the thermoelectric plants located in the South.

For additional information, please contact Copel's Investor Relations team

Phone: (55-41) 222-2027

Ricardo Portugal Alves

ricardo.portugal@copel.com

Solange Elizabeth Maueler

solange@copel.com

Carlos Alberto C. Lucio

clucio@copel.com

Pedro Marcelo Gonçalves

pedro.marcelo@copel.com

Sincerely,

Ronald Thadeu Ravedutti

CFO and Investor Relations Officer