

IR COPEL 18/04 - November 12, 2004

Notice to the Market

In view of the news regarding Copel, released today, November 12, in Valor Econômico (São Paulo State) and Gazeta do Povo (Paraná State) newspapers, the Company clarifies that:

- 1) There is no substantial indication that the discount exercised by Copel over the Company's tariff table authorized by ANEEL, granted as premium to consumers who pay their bills on its due date, will be reduced in the short term. The response to the article in Valor Econômico newspaper expressed a genuine expectation, but it has not fixed any time for its materialization.
- 2) Also, there is no decision regarding an increase of Petrobrás' stake in UEG Araucária Ltda., contrasting with the news on the first page of the Gazeta do Povo newspaper, in Curitiba. As of today, there are only conversations between Paraná Government and the Ministry of Mines and Energy (MME) aiming to find an alternative solution for a judicial dispute regarding contracts for purchase of energy and gas for Usina Termelétrica de Araucária. For that purpose, Governor Roberto Requião will meet with Minister Dilma Rousseff, following negotiations started last October.

Sincerely,

Paulo Cruz Pimentel
Chief Executive Officer COPEL

For additional information, please contact Copel's Investor Relations team:
ri@copel.com or (55-41) 222-2027