



IR COPEL 05/05 - 08/08/2005

**Power Market at Copel's concession area grows 3.9% in the first half 2005**

Power consumption market at Copel's concession area (including unregulated "free" customers in the State of Paraná) grew 3.9% between January and June 2005 in comparison to the same period of the previous year.

Including unregulated "free" customers outside the State of Paraná, the power market dropped 0.4% in the period. The conclusion of agreements with Carbocloro and Volkswagen by the end of 2004 explains this drop.

Residential, commercial and rural consumption grew by 4.4%, 8.0% and 6.3%, respectively.

The good performance of the commercial segment in the first six months of the year maintained 2004 levels, mainly due to the modernization of the sector and to the increase in the number of connections, which recorded the highest number in the last five years.

Rural segment growth is mainly due to risen exports of agriculture and agribusiness products, increasing producer's income which resulted in the acquisition of electric products.

The result from the residential segment is due to the 3.0% increase in the number of customers, as well as to the increase in the average consumption level in the period (1.3% higher than the average recorded in the same period of the previous year).

Industrial consumption, including only Copel Distribuição market, dropped 5.2% due to the transfer of some unregulated "free" customers to Copel Geração. However, total industrial consumption, including unregulated "free" customers served by Copel Geração in the State of Paraná, grew 1.6%.

**COPEL POWER MARKET - 1<sup>st</sup> Half 2005**

	<u>1<sup>st</sup> Half 2005</u>	<u>1<sup>st</sup> Half 2004</u>	<u>MWh</u> <u>Var. %</u>
<b>Copel Distribuição market (1)*</b>	<b>8,905,079</b>	<b>8,799,622</b>	<b>1.2%</b>
Residencial	2,332,548	2,235,142	4.4%
Industrial	3,318,191	3,501,950	-5.2%
Commercial	1,643,737	1,522,258	8.0%
Rural	724,081	681,446	6.3%
Other	886,522	858,826	3.2%
<b>Unregulated "free" customers in the State of Paraná (2)**</b>	<b>291,604</b>	<b>51,592</b>	<b>465.2%</b>
<b>Copel's concession area total (1+2)</b>	<b>9,196,683</b>	<b>8,851,214</b>	<b>3.9%</b>
<b>Unregulated "free" customers outside the State of Paraná (3)***</b>	<b>202,299</b>	<b>588,996</b>	<b>-65.7%</b>
<b>COPEL TOTAL (1+2+3)</b>	<b>9,398,982</b>	<b>9,440,210</b>	<b>-0.4%</b>

\*Copel Distribuição unregulated "free" customers were transferred to Copel Geração in April 2005

\*\* Customers served by Copel Geração

\*\*\* Carbocloro and Volkswagen agreements ended by the end of 2004. In the first half 2004, Carbocloro and Volkswagen's consumption was 423,129 MWh.

Copel Distribuição's grid market (TUSD), composed by Copel's captive market and unregulated "free" customers at Copel's concession area, increased by 4.3% in the first half 2005.

<b>COPEL Distribuição</b>	<u>1<sup>st</sup> Half 2005</u>	<u>1<sup>st</sup> Half 2004</u>	<u>MWh</u> <u>Var. %</u>
Carga Fio (TUSD)****	<b>9,968,193</b>	<b>9,559,027</b>	<b>4.3%</b>

\*\*\*\* Carga fio is composed by Copel's captive market and unregulated "free" customers served by Copel Distribuição.

Sincerely,

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