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**COPEL REACHES AN AGREEMENT FOR THE PURCHASE OF
EL PASO'S SHARE IN ARAUCÁRIA THERMOELECTRIC PLANT**

On this date (May 30, 2006), COPEL reached a definitive agreement for the purchase of the controlling interest held by El Paso Empreendimentos e Participações Ltda in Araucária Thermoelectric Plant (UEGA) for US\$ 190 million.

Through this agreement, Copel increases its stake in UEGA from 20% to 80% and now holds the controlling interest in the thermoelectric plant, which has an installed capacity of 484 MW, capable of supplying a population of 1.5 million. Petrobras continues to hold a 20% interest.

COPEL is planning to begin immediate recovery works, so the plant can operate as soon as possible, allowing the turbines to operate with other fuels besides natural gas.

The celebration of this amicably agreement concludes the judicial matters before the State Court and the International Chamber of Trade in Paris.

Sincerely,
Paulo Roberto Trompczynski
CFO and Investor Relations Officer