

IR COPEL 002 / 2007

NOTICE TO THE MARKET

Addendum to CIEN Agreement

Companhia Paranaense de Energia – COPEL, pursuant to CVM Instruction 358/2002, and committed to maintaining its good Corporate Governance practices, and (i) in view of ANEEL (Brazilian Electricity Regulatory Agency) Resolution 224 as of June 20, 2006, which no longer guaranteed energy to CIEN, and (ii) under the terms of Resolution 294, as of November 28, 2006, which guarantees Copel the recovery of the energy amount negotiated with CIEN, through the participation at Auction A-1 and other energy purchase mechanisms, preserving Copel's neutrality, on December 14, 2006 purchased 160 MW average for the period from 2007 to 2014; announces to the market that, as a result of the agreement, COPEL and CIEN decided on January 03, 2007, to enter into an addendum to the Supply Agreements of Firm and Electric Power # 001/99 and # 002/99, reducing from 400MW to 175 MW average, the total of energy contracted until December 31, 2007.

By force of this addendum, COPEL will reverse in the first quarter of 2007, approximately R\$ 100 million of the provision recorded for the payment of pending items related to the agreement addendum.

Curitiba, January 05, 2007.

Paulo Roberto Trompczynski
CFO and Investor Relations Officer

