



## IR COPEL 10/07 - 10/10/2007

### **Auction of Highway Concessions**

The discount of 29.19% in relation to the maximum toll set in the invitation to bid of R\$2.754 offered by Copel for the lot comprising the stretch of highway from Curitiba to Florianópolis offered at the public auction of federal highways held this Tuesday was not enough to win.

The bid offered by Copel of R\$ 1.950 was the sixth lowest among the 17 companies qualified to bid. However, the Spanish group OHL emerged with a strong appetite, winning the concession with a bid of R\$1.028, a discount of 62.67% on the price in the invitation to bid.

“We made the best possible effort within the short period of 45 days established by the regulator to be competitive, which we in fact achieved, considering that the auction involves an activity that is totally new to the company”, said Copel CEO Rubens Ghilardi. “However, as the outcome shows, there was no way to compete with the Spanish company OHL, which replicated the same strategy of extremely aggressive bidding that other Spanish groups have practiced in, for example, the auctions for new power transmission lines, an industry in which they are also placing winning bids”.

According to CEO Ghilardi, the company continues to analyze options for its future investments. “We will continue to carry out the works required to maintain and expand our electricity grid, but we are still interested in assessing the viability of the investment opportunities that come before us”.

Curitiba, October 10, 2007

Sincerely,

Paulo Roberto Trompczynski

CFO and Investor Relations Officer