

IR COPEL 09/08 - 07/17/2008

Copel's captive market grew 5.9% in the first half of 2008

The following analyses relative to consumption segments, free consumers and supply to other distributors refer to the figures for the first half of 2008 compared to those in the same period in 2007.

Captive consumption billed by COPEL Distribuição totaled 9,714 GWh, 5.9% up year-on-year, while total billed consumption (including free customers supplied by COPEL Geração e Transmissão and supplies to other distributors in the State of Paraná by Copel Distribuição) came to 10,555 GWh, up by 4.4%. This was chiefly due to a combination of the following factors:

- (i) the healthy performance of the agricultural sector and high prices of commodities, which pushed up farmers' earnings;
- (ii) growth in the domestic market, mainly driven by the increase in disposable income, in turn fueled by expanded credit, social programs and successive increases in the minimum wage;
- (iii) higher exports of certain items, especially agricultural produce; and
- (iv) the creation of 109,000 new registered jobs in the first six months of 2008.

Residential consumption, which accounted for 27.5% of the captive market, grew by 4.3% and average consumption per residential consumer stood at 163.1 kWh/month, up by 2.2% year-on-year. In June, 2008, a total of 2,725,155 residential customers were supplied.

Industrial consumption (excluding free consumers) totaled 3,307 GWh, equivalent to 34.0% of the captive market and 8.8% higher than in the 1H07. This was the best performance among Copel's consumption categories and was mostly pushed by the motor vehicles, machinery and equipment, publishing, printing, and pulp and paper industries. In June 2008, a total of 60,090 captive consumers were billed.

Commercial consumption stood at 1,973 GWh, up by 5.3% and accounting for 20.3% of COPEL's captive market. In June 2008, 289,564 customers were billed.

The rural segment, which accounted for 8.5% of COPEL's captive market, moved up 6.0% to 825 GWh. Monthly consumption per consumer averaged 410.1 kWh, an increase of 4.8%. A total of 335,277 costumers were billed.

The other consumption segments (government, public lighting, public services and own consumption) totaled 942 GWh, 2.1% up year-on-year and equivalent to 9.7% of the captive market.

Billed consumption by free consumers supplied by Copel Geração e Transmissão declined by 16.0% due to the termination of certain contracts.

The table below details the figures discussed above.

	GWh		
Captive Market Segments	1H08	1H07	Var. %
Residential	2,667.0	2,556.9	4.3
Industrial	3,307.0	3,038.3	8.8
Commercial	1,973.1	1,874.6	5.3
Rural	825.0	778.6	6.0
Other	942.3	923.2	2.1
Total Captive Market	9,714.4	9,171.6	5.9
Free Customers - Copel Geração e Transmissão	594.3	707.7	(16.0)
Total Retail	10,308.7	9,879.3	4.3
Supply to Distributors in State of Paraná	246,7	233,5	5.6
Total	10,555.4	10,112.8	4.4

Copel Distribuição – Grid Market (TUSD)

Copel Distribuição's grid market, comprising the captive market, supply to other distributors in Paraná and all free consumers in the Company's concession area, increased 6.7% year-on-year in the 1H08.

	GWh		
	1H08	1H07	Var. %
Copel's Captive Market	9,714.4	9,171.6	5.9
Supply to Distributors in State of Paraná	246.7	233.5	5.6
Free Consumers in the Company's	1,720.4	1,541.7	11.6
Concession Area	11,681.5	10,946.8	6.7

Curitiba, July 17, 2008

Sincerely,

Paulo Roberto Trompczynski

CFO and Investor Relations Officer