



**IR COPEL 16/08 - 10/17/2008**

## **Copel's captive market grows 6.4% till September 2008**

The following analyses relating to the consumption segments, free consumers and supply to other distributors refer to the year's figures till September 2008 compared to those in the same period in 2007.

Captive consumption billed by COPEL Distribuição totaled 14,645 GWh, 6.4% up year-on-year, while total billed consumption (including free customers supplied by COPEL Geração e Transmissão and supplies to other distributors in Paraná State by Copel Distribuição) was 15,915 GWh, up by 4.8%. This increase was chiefly due to the continuity of the conjunction of the following factors:

- (i) the healthy performance of the agricultural sector and high commodity prices, 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 154,896 new registered jobs in the first nine months of 2008, 7.95% more than in the same period in 2007, which was the best performance among the states in Brazil's south region and the third best in the country.

### **Captive Market**

The analysis of Copel Distribuição's captive market shows that residential consumption totaled 4,009 GWh, growing by 4.7% and accounting for 27.5% of this market. Average consumption per residential consumer stood at 161.7 kWh/month, up by 1.9% year-on-year. In September 2008, a total of 2,754,584 residential customers were supplied.

Industrial consumption totaled 5,077 GWh, equivalent to 34.7% of the captive market and 9.0% higher than in the same period last year. This was a significant performance and the best among Copel's consumption categories, and was mostly driven by the auto, machinery and equipment, publishing, printing, and pulp and paper industries. In September 2008, a total of 61,903 captive consumers were billed, 7.0% more than in September 2007.

Commercial consumption stood at 2,937 GWh, up by 6.2% and accounting for 20.1% of COPEL's captive market. In September 2008, 292,791 customers were billed.

The rural segment consumed 1,202 GWh, representing 8.2% of COPEL's captive market, and growth of 6.2%. In September 2008, a total of 336,311 customers were billed.

Other consumption segments (government, public lighting, public services and own consumption) totaled 1,421 GWh, 2.6% up year-on-year and equivalent to 9.7% of the captive market.

### Free Market

Billed consumption by free consumers supplied by Copel Geração e Transmissão declined by 15.1% due to the termination of certain contracts.

The table below details the figures discussed above.

Captive Markets Segment	Jan/Sep 2008	Jan/Sep 2007	Var. %
Residential	4,008.6	3,827.1	4.7
Industrial	5,077.3	4,660.1	9.0
Commercial	2,936.9	2,764.9	6.2
Rural	1,201.7	1,131.5	6.2
Other	1,420.8	1,385.0	2.6
<b>Total Captive Market</b>	<b>14,645.3</b>	<b>13,768.6</b>	<b>6.4</b>
Free Customers - Copel Geração e Transmissão	896.7	1,056.5	-15.1
<b>Total Retail</b>	<b>15,542.0</b>	<b>14,825.1</b>	<b>4.8</b>
Supply to Distributors in State of Paraná	373.1	353.9	5.4
<b>Total</b>	<b>15,915.1</b>	<b>15,179.0</b>	<b>4.8</b>

### 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 6.6% year-on-year up to September 2008.

	Jan/Sep 2008	Jan/Sep 2007	Var. %
Copel's Captive Market	14,645.3	13,768.6	6.4
Supply to Distributors in State of Paraná	373.1	353.9	5.4
Free Customers in the Concession Area	2,554.5	2,363.1	8.1
<b>Grid Market (TUSD)</b>	<b>17,572.9</b>	<b>16,485.6</b>	<b>6.6</b>

Curitiba, October 17, 2008.

Sincerely,  
Paulo Roberto Trompczynski  
Chief Financial and Investor Relations Officer