



IR COPEL 08/10 - 06/17/2010

Transmission Auction 001/2010
Clarifications

Companhia Paranaense de Energia – Copel, in accordance with CVM Instruction 358/2002, would like to make it clear to the market that, due to the fact that the Company placed the winning bid on “Transmission Line Araraquara 2 - Taubaté” (lot A) and “Substation Cerquilha III” (lot I) during “Transmission Auction 001/2010,” sponsored by Aneel, both of which are located in the state of São Paulo and planned to begin functioning within 24 months,

- the Company has prepared thorough studies that have provided alternatives to original project proposals, and entered into a series of favorable pre-contracts with suppliers to reduce work costs, thus enabling offers to be made at competitive levels;
- the lots won are strategic for Copel, considering that this region will receive energy originating from plants on the Madeira River (Jirau and Santo Antônio); and
- Copel will request the National Monetary Council (CMN) an authorization for these projects to be eligible for BNDES financing, due to the fact that the projects are part of the PAC (Growth Acceleration Program – Programa de Aceleração do Crescimento).

Curitiba, June 17, 2010.

Sincerely,
Rafael Iatauro
CFO and Investor Relations Officer