

IR COPEL 16/11 - 09/02/2011

Costa Oeste Consortium wins Lot E at transmission auction no. 004/2011

In accordance with CVM Instruction 358/2002, Companhia Paranaense de Energia – COPEL, hereby announces to the market that the Costa Oeste Consortium – the result of a partnership signed between Copel Geração and Transmissão S.A., holder of a 51% interest and Eletrosul Centrais Elétricas S.A., holder of a 49% interest – won, at a discount of 3.1%, Lot E at the transmission auction nº 004/2011, which grants the right to build and operate the LT Cascavel Oeste – Umuarama (230 kV), with 143 km of extension, and SE Umuarama (230/ 138 kV), with 300 MVA, both located in Paraná.

The projects will have annual permitted revenue (RAP) of R\$ 8.9 million and will absorb investments of around R\$ 75 million. As it is included in the Growth Acceleration Program (PAC), this construction work is eligible to obtain financing from the Brazilian Development Bank (BNDES). These assets are expected to become operations in January 2014.

Curitiba, September 02, 2011.

Sincerely,
Ricardo Portugal Alves
CFO and Investor Relations Officer