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#### NEWS PUBLISHED BY VALOR ECONÔMICO DAILY NEWSPAPER

According to the Official Letter GAE/SAE 1.715-07, of 07.30.2007, you request clarifications on the news published in Valor Econômico daily newspaper, 07.30.2007 issue, under the heading *Copel will lead an alcohol pipeline project*, as well as other information considered to be important.

In this regard, we inform that:

1. The alcohol pipeline project mentioned in today's article in Valor Econômico is part of Paraná State's Economic Development Policy (PDE), also known as "Paraná's PAC", which foresees several projects and programs likely to be implemented until 2010.
2. The existence of related studies was publicly informed at the weekly meeting promoted by Paraná's State Government on 07.24.2007.
3. The said studies effectively exist, but are still preliminary. They actually consist of Pre-Feasibility Studies which are currently deepening, for improved details, consistencies and consequent validations.
4. The eventual formal structuring of the likely — and not yet defined — execution of the project (if through a consortium, SPC or other feasible alternative) awaits studies and more accurate details, to be carried out in due course.

Sincerely,

Luiz Antonio Rossafa  
Chief Corporate Management Officer acting as Chief Financial and Investor  
Relations Officer