



Equatorial Energia S.A.
Publicly-held Company
Corporate Taxpayers Id. (CNPJ/MF): 03.220.438/0001-73

MATERIAL FACT

1. In compliance with the provisions of Law No. 6404 of December 12, 1976 ("Brazilian Corporate Law") and CVM Instruction No. 358 of January 3, 2002, Equatorial Energia S.A. (EQUATORIAL ENERGIA) informs that the Brazilian Electricity Regulatory Agency (Agência Nacional de Energia Elétrica - ANEEL) informed through its Circular No. 2223/2007-SFF/ANEEL, the change in its earlier understanding of the Material Fact published on September 24, 2007, by which it now considers that its prior approval is required for amendment of Bylaws, joining the Novo Mercado and for dispersal of control in the Company.
2. Consequent to the new Circular, EQUATORIAL ENERGIA will review the issue and accordingly keep the CVM, its shareholders and the market in general informed.

São Luis, October 26, 2007.

Leonardo Dias
CFO and IRO

Equatorial Energia S.A.