



Equatorial Energia S.A.

Authorized Capital
Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF) 03.220.438/0001-73

NOTICE TO THE MARKET

**EQUATORIAL PARTICIPATES IN THE PRE-QUALIFICATION OF ANEEL'S
TRANSMISSION AUCTION 004/2007**

Equatorial Energia S.A. ("Equatorial") hereby informs its shareholders, the market in general and the public that, on September 21, 2007, it submitted to the Brazilian Clearing and Depository Corporation (Companhia Brasileira de Liquidação e Custódia - CBLC), the pre-qualifying documentation required to bid for the "G" lot of the Transmission Lines Auction 004/2007 to be held by the Brazilian Electricity Regulatory Agency (ANEEL) on November 7, 2007. The "G" lot consists of transmission structures comprising a 230 Kv transmission line, a 36 km long simple circuit starting at the São Luis II Substation and ending at the new São Luís III Substation with 230/69kV (150MVA) capacity, both in the state of Maranhão.

Equatorial will keep the market informed about the progress in this matter.

São Luís, September 24, 2007.

Leonardo Duarte Dias
Chief Financial Officer and Investor Relations Officer

Equatorial Energia S.A.