



EQUATORIAL ENERGIA S/A
Corporate Taxpayers ID (CNPJ/MF): 03.220.438/0001-73
Company Registry (NIRE): 21300009388
Publicly Held Company

MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD ON MARCH 1, 2007

1. DATE, TIME AND VENUE: March 1, 2007, at 5:00 pm, at the Company's head offices located at Avenida Colares Moreira, Renascença II, 477, CEP: 65.075-028, in the city of São Luís, in the state of Maranhão.

2. ATTENDANCE: The following Board members were present: Firmino Ferreira Sampaio Neto; Gilberto Sayão da Silva; Octavio Côrtes Pereira Lopes; Alessandro Monteiro Morgado Horta; Paulo Jerônimo Bandeira de Mello Pedrosa; Darlan Dórea Santos; Ronaldo Iabrudi dos Santos Pereira; and Ana Marta Horta Veloso.

3. PRESIDING: Chairman: Firmino Ferreira Sampaio Neto; Secretary: Patricia Pugas de Azevedo Lima.

4. AGENDA: a) to decide on the proposed creation of the Stock Option Plan to be granted to management and employees of the Company; b) to manifest an opinion on the Management Report, Financial Statements and Independent Auditors' Report for the fiscal year ended December 31, 2006; c) to call the Annual and Extraordinary General Meeting to decide on the matters discussed at the Board meeting.

5. RESOLUTIONS: The session was opened and Firmino Ferreira Sampaio Neto assumed the chairmanship of the Meeting, inviting Patricia Pugas de Azevedo Lima to act as secretary, and the Board members, by unanimous vote, took the following resolutions: (i) approved a proposal to be submitted to the Annual General Meeting to establish a Stock Option Plan for management and employees of the Company, whose general conditions are detailed in Annex I; (ii) approved, without reservations or amendments, the Management Report and the Financial Statements for the fiscal year ended December 31, 2006, to be submitted to the Annual General Meeting, all of which filed at the Company's headquarters; and (iii) agreed to call the Annual and Extraordinary Shareholders' Meeting.

6 CLOSURE: There being no further business to address, these minutes were drawn up, read, approved and signed by all those present.

7. SIGNATURES OF THE ATTENDING MEMBERS: **Chairman:** Firmino Ferreira Sampaio Neto; **Secretary:** Patricia Pugas de Azevedo Lima; **Members of the Board of Directors:** The following Board members were present: Firmino Ferreira Sampaio Neto; Gilberto Sayão da Silva; Octavio Côrtes Pereira Lopes; Alessandro Monteiro Morgado Horta;



Paulo Jerônimo Bandeira de Mello Pedrosa; Darlan Dórea Santos; Ronaldo Iabrudi dos Santos Pereira; and Ana Marta Horta Veloso.

This is a free translation of the original minutes filed in the Company's records.

Patricia Pugas de Azevedo Lima
Secretary



**ANNEX I to the Minutes of the EQUATORIAL ENERGIA S.A. Board of Directors Meeting,
held on March 1, 2007**

General Terms of the Stock Option Plan

<u>Number of Shares</u>	1,111,111 Equatorial Energia shares.
<u>Exercise Price:</u>	The weighted average of the share price on the stock market for a period of at least 30 days and at most 180 days as of the commencement date of the Plan, restated by the IGPM inflationary index until the exercise date.
<u>Vesting</u>	Four Years 25% at the end of 12 months 25% at the end of 24 months 25% at the end of 36 months 25% at the end of 48 months
<u>Exercise Term:</u>	Up to 24 months after vesting.
<u>Vesting Condition</u> <u>(use of bonus):</u>	50% of the net bonus must be used to the purchase shares of the Plan that have already vested (otherwise the shares for that year will not vest).
<u>Grace Period for sale:</u>	2 years days as of the commencement date of the Plan.