



BRASIL ENERGIA I, LLC

Corporate Taxpayers' ID (CNPJ/MF) 05,713,465/0001-03

EQUATORIAL ENERGIA S.A.

Corporate Taxpayer's ID (CNPJ/MF) 03,220,438/0001-73

Corporate Registry ID (NIRE) 21300009388

NOTICE TO THE MARKET

SALE OF RELEVANT STAKE

Pursuant to article 12 of CVM Instruction 358 of January 3, 2002, Equatorial Energia S.A. ("**Equatorial Energia**") and Brasil Energia I LLC ("**Brasil Energia**"), its controlling shareholder, hereby inform the Comissão de Valores Mobiliários (Brazilian Securities and Exchange Commission - "CVM"), the São Paulo Stock Exchange ("BOVESPA") and the market that:

1. On this date, **Brasil Energia** sold, via an auction in the BOVESPA, 6,286,000 (six million, two hundred and eighty-six thousand) Units issued by **Equatorial Energia**, representing 6.12% of its voting capital and 9.59% of its total capital. Following the sale, **Brasil Energia** now holds 61,032,006 **Equatorial Energia** shares, representing 55.95% of its voting capital and 31.03% of its total capital.

2. The table below shows **Equatorial Energia's** capital structure before and after the sale:

Capital Structure - Before the Sale

SHAREHOLDERS	Voting Shares		Non-voting Shares		Total Shares	
	Number	%	Number	%	Number	%
Brasil Energia I LLC	63,706,827	62.07%	16,183,179	17.21%	79,890,006	40.62%
Others	38,928,393	37.93%	77,856,778	82.79%	116,785,171	59.38%
Total	102,635,220	100.00%	94,039,957	100.00%	196,675,177	100.00%

Capital Structure - After the Sale

SHAREHOLDERS	Voting Shares		Non-voting Shares		Total Shares	
	Number	%	Number	%	Number	%
Brasil Energia I LLC	57,420,827	55.95%	3,611,179	3.84%	61,032,006	31.03%
Others	45,214,393	44.05%	90,428,778	96.16%	135,643,171	68.97%
Total	102,635,220	100.00%	94,039,957	100.00%	196,675,177	100.00%



3. **Brasil Energia** further announces that the sole purpose of the sale was to reduce its shareholdings, there being no change in the ownership or administrative structure of **Equatorial Energia**.

4. Finally, **Brasil Energia** and **Equatorial Energia** declare that the sale did not involve any new agreement or contract or any change in any existent agreement or contract regarding the exercise of voting rights or the purchase and sale of securities issued by **Equatorial Energia**.

5. **Brasil Energia** is a Limited Liability Company, incorporated in the State of Delaware, United States of America, and controlled by private equity funds managed by GP Investments Ltd. and UBS Pactual Gestora de Investimentos Alternativos Ltda., an affiliated company of Banco UBS Pactual S.A..

São Luís, January 18, 2007.

BRASIL ENERGIA I, LLC

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