



COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 699TH MEETING

Date, time and place: July 17, 2017, at 10 a.m., at the head office,
with participation also by telephone conference call.

Meeting Committee: Chair: José Afonso Bicalho Beltrão da Silva
Secretary: Carlos Henrique Cordeiro Finholdt.

Summary of proceedings:

I Conflict of interest: The board members listed below said they had no conflict of interest in the matters on the agenda of this meeting.

II The Board approved:

- a) The proposal by the Chair, José Afonso Bicalho Beltrão da Silva, to elect, as Vice-Chair of this Board, to serve the rest of the remaining period of office,

Marco Antônio de Rezende Teixeira, – Brazilian, married, lawyer, domiciled in Belo Horizonte, MG, at Rua Senhora das Graças 64/801, Cruzeiro, CEP 30310-130, bearer of Identity Card M611582-SSPMG and CPF nº 371515926-04,

and informed the meeting that Mr. Teixeira had declared – in advance – that he is not subject to any prohibition on exercise of commercial activity, does not occupy any post in a company which could be considered to be a competitor of the Company, and does not have nor represent any interest conflicting with that of Cemig; and had made a solemn commitment to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Professional Conduct of Cemig and the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

- b) The minutes of this meeting.

III The Board authorized:

- a) Periodic declaration by the Executive Board of **Interest on Equity**, subject to the legal limit, which is – nine hundred fifty six million forty three thousand Reais, the Executive Board to decide the places and processes of payment and to allocate the amount of the Interest on Equity against the minimum mandatory dividend.

- b) Increase in the share capital of
Empresa Brasileira de Transmissão de Energia S.A. (EBTE),
 by absorption of the amount arising from the tax benefit comprising reduction of income tax,
 the new share capital to be: two hundred seventy million two hundred eight thousand,
 eight hundred nineteen Reais and 18 centavos,
 without issuance of new shares,
 and with the related adaptation of the head paragraph of Clause 5 of the by-laws of that company.
- c) Increase in the share capital of
Empresa Norte de Transmissão de Energia S.A. – ENTE,
 by absorption of the amount arising from the tax benefit comprising reduction of income tax,
 the new share capital to be: two hundred seventy eight million fifty seven thousand three
 hundred eighty nine Reais and 78 centavos,
 without issuance of new shares,
 and with the related adaptation of the head paragraph of Clause 5 of the by-laws of that company.
- b) Increase in the share capital of
Empresa Paraense de Transmissão de Energia S.A. (ETEP),
 by absorption of the amount arising from the tax benefit comprising reduction of income tax,
 the new share capital to be one hundred eleven million four hundred eighty one thousand
 two hundred sixty eight Reais and 31 centavos,
 without issuance of new shares,
 and with the related adaptation of the head paragraph of Clause 5 of the by-laws of that company.
- b) Increase in the share capital of
Empresa Amazonense de Transmissão de Energia S.A. (EATE),
 by absorption of the amount arising from the tax benefit comprising reduction of income tax,
 the new share capital to be five hundred fifty nine million seven thousand seventy four
 Reais and 64 centavos,
 without issuance of new shares,
 and with the related adaptation of the head paragraph of Clause 5 of the by-laws of that company.
- b) Increase in the share capital of
Light Soluções em Eletricidade Ltda. (Light Soluções),
 in the amount of up to one billion Reais,
 through issue of up to one million new shares,
 increasing the share capital to two million three hundred fifty thousand Reais,
 subscribed and to be paid up by Light S.A. ('Light'), and
 alteration and consolidation of the by-laws with alteration of the head paragraph of Clause 5.
- g) Reduction of the share capital of
Usina Termelétrica Barreiro S.A (UTE Barreiro),
 by fourteen million Reais,
 reducing the share capital to sixteen million nine hundred two thousand one hundred forty
 nine Reais and 99 centavos,
 by reduction of the number of nominal common shares without par value,
 from thirty million nine hundred two thousand
 to sixteen million nine hundred two thousand
 with consequent alteration of the head paragraph of Clause 5 of the by-laws.
- h) Signature of the First Amendment to the Stockholders' Agreement of
RME – Rio Minas Energia Participações S.A. ('RME')
 and the First Amendment to the Stockholders' Agreement of
Luce Empreendimentos e Participações S.A. (Lepsa),
 to reflect granting of a new 'exercise window' and new date of partial maturity of the put option
 governing shares in Lepsa and RME; the final exercise date continuing to be November 23, 2017,
 with payment on November 30, 2017.
- i) Signature of amendments to the contracts, relating to the services referred to in Sub-clause 'a' of Item
 VII below, extending the period of duration to up to October 31, 2017, without any increase in the
 amount.

IV The Board nominated the Chief Officers:

César Vaz de Melo Fernandes to be

Chief Executive Officer of Empresa de Serviços e Comercialização de Energia Elétrica S.A. (ESCEE),
a Director of Cemig Comercializadora de Energia Incentivada S.A. (CCEI),
and a Director of Cemig Trading S.A. (Cemig Trading);

Maura Galuppo Botelho Martins to be

a Director of ESCEE, CCEI, and Cemig Trading;

Franklin Moreira Gonçalves to be

Chief Executive Officer of CCEI,
and a Director of ESCEE; and

Dimas Costa to be

Chief Executive Officer of Cemig Trading,
and a Director of ESCEE, and CCEI;

– all to serve periods of office of three years, from the Annual General Meeting of 2017, or until their duly elected successors have been sworn in.

V The Board oriented:

- a) the Board members appointed by the Company, in the meeting of the Board of Directors of **Transmissora Aliança de Energia Elétrica S.A. ('Taesa')** on a date yet to be set, to vote in favor of orientation of vote in favor, by the representatives of Taesa in the forthcoming Extraordinary General Meeting of Stockholders of **EBTE**, on the said increase in share capital, and consequent adaptation of the head paragraph of Clause 5 of the by-laws;
- b) the Board members appointed by the Company, in the meeting of the Board of Directors of **Taesa** on a date yet to be set, to vote in favor of orientation of vote in favor, by the representatives of Taesa in the forthcoming EGM of **ENTE**, on the said increase in the share capital, and consequent adaptation of the head paragraph of Clause 5 of the by-laws;
- c) the Board members appointed by the Company, in the meeting of the Board of Directors of **Taesa** on a date yet to be set, to vote in favor of orientation of vote in favor, by the representatives of Taesa in the forthcoming EGM of **ETEP**, on the said increase in the share capital, and consequent adaptation of the head paragraph of Clause 5 of the by-laws;
- d) the Board members appointed by the Company, in the meeting of the Board of Directors of **Taesa** on a date yet to be set, to vote in favor of orientation of vote in favor, by the representatives of Taesa, in the forthcoming EGM of **EATE**, on the said increase in the share capital, and consequent adaptation of the head paragraph of Clause 5 of the By-laws;
- e) the Board members nominated by the Company, directly or by RME and/or Lepsa, in the meeting of the Board of Directors of **Light**, to vote in favor of:
 - approval of the said increase in the share capital;
 - injection of funds by Light into Light Soluções of up to one million Reais, and
 - consequent alteration and consolidation of the by-laws of Light Soluções;
- f) the representatives of the Company in the EGM of **UTE Barreiro** to vote in favor of the said reduction of the share capital and the consequent alteration in the drafting of the by-laws;
- g) the representative(s) of the Company to vote in favor of the agenda, in the meetings of the Boards of Directors and EGMs of **Lepsa** and **RME**, to approve the said signature of the said Stockholders' Agreements, and ratification of the contracting of the legal advisers
 - Stocche, Forbes, Padis, Filizzola, Clapis Advogados,
 - Pinheiro Neto Advogados,
 - Machado Meyer Sendacz Opice and
 - Machado Associados;
- h) the Board members nominated by the Company in **Light**, directly or through RME and/or Lepsa, to vote in favor of acceptance, by Light Energia S.A. (Light Energia) and by Renova Energia S.A. (**Renova**), of the non-binding offer made by Brookfield Energia Renovável S.A. (BER).

VI The Board ratified:

- a) Nomination of the Chief Officer **César Vaz de Melo Fernandes**, as Sitting member of the Board of Directors of **RME** and **Lepsa**, to serve a period of office of one year, or until his duly elected successor is sworn in.
- b) The vote by the Board members appointed by the Company, directly or through RME and/or Lepsa, in the meeting of the Board of Directors of Light, on ratification of:
 - 1) Orientation of vote in favor by members of the Board of Directors nominated by Light, in the meeting of the Board of Directors of **Amazônia**, on ratification of the orientation of vote in favor by the representatives of that company, in the 38th Extraordinary General Meeting of Stockholders of **Norte Energia S.A.** (**'Nesa'**), on the capital increase to take place in July 2017,
 - by up to one hundred million Reais,
 - corresponding to one hundred million nominal common shares without par value,
 - at unit price of one Real,
 and consequent alteration of Article 5 of the by-laws.
 - 2) Orientation of vote in favor, by the representatives of Light in the meeting of the Board of Directors of **Amazônia**, on approval of the increase in the share capital of Amazônia
 - by up to nine million seven hundred and seventy thousand Reais
 and the consequent changes in its by-laws and their consolidation.
 - 3) Increase in the share capital of **Amazônia**,
 - by up to nine million, seven hundred and seventy thousand Reais,
 - through issuance of up to four million eight hundred eight five thousand nominal common shares without par value,
 - for issue price per share of one Real,
 - and up to four million, eight hundred eighty five thousand nominal preferred shares without par value,
 - for issue price per share of one Real,
 and consequent subscription and paying up of the total of the shares issued, in proportion to the participation of each one of the stockholders in the share capital of that company, and alteration of the head paragraph of Clause 5 of the by-laws, and their consolidation.
 - 4) Due to Nesa's need for funds, injection of capital in cash into **Amazônia**,
 - of up to two million, four hundred ninety one thousand, three hundred fifty Reais,
 corresponding to the 25.5% equity interest held by **Light in Amazônia**.
 - 5) Orientation of vote in favor by the representatives of Light in the meeting of the Board of Directors of **Amazônia** on the election to the Board of Directors of Nesa of the candidates proposed by Companhia Hidrelétrica do São Francisco – **Chesf**, to serve the remainder of the period of office of two years or until duly elected successor/s have been sworn in; and election to the Audit Board of Nesa, nominated by Aliança Norte Energia Participações S.A. (**'Aliança Norte'**), to serve a period of office of one year or until a duly elected successor is sworn in.
- c) Orientation to the members of the Board of Directors nominated by the Company in the meeting of the Board of Directors of **Taesa**, to vote in favor of:
 - acquisition of a 51% equity interest in Integração Transmissora de Energia S.A. (**Intesa**), held by Fundo de Investimentos em Participação Brasil Energia (FIP Brasil).

VII The Board re-ratified:

- a) CRCA-048/2017, governing contracting of services of law offices, to work on litigation in the areas of tax, real estate, employment and social security law; consumer regulations, regulatory and environment matters; third party liability; administrative law; and actions for collection, extending, exceptionally, the period of duration to October 31, 2017,
 - the other terms of that CRCA being unchanged;

- b) CRCA-052/2017, to exclude authorization for signature of the Second Amendment to the Stockholders' Agreement of RME, and of the Second Amendment to the Stockholders' Agreement of Lepsa, and orientation to the representatives of the Company to vote in the EGMS of those companies, on approval of signature of the said Stockholders' Agreements and on ratification of the contracting of the legal advisers Stocche, Forbes, Padis, Filizzola, Clapis Advogados, Pinheiro Neto Advogados and Machado Meyer Sendacz Opice,
 - the other provisions of that CRCA remaining unchanged.

VIII Abstention:

The Board member Ms. Patricia Gracindo Marques de Assis Bentes abstained from voting on:

- the matters referred to in items III and IV, above; and
- Sub-clauses 'a' to 'f' of Item V, above.

IX Comments: The following spoke on subjects of interest to the Company:

The Chair;

Chief Officer: Adézio de Almeida Lima

General Manager: Leonardo George Magalhães.

The following were present:

Board members:	José Afonso Bicalho Beltrão da Silva, Bernardo Afonso Salomão de Alvarenga, Antônio Dirceu Araújo Xavier, Arcângelo Eustáquio Torres Queiroz, Bruno Magalhães Menicucci, Hélcio Miranda Magalhães Junior, José Pais Rangel, Marcelo Gasparino da Silva, Marco Antônio de Rezende Teixeira, Nelson José Hubner Moreira, Patrícia Gracindo Marques de Assis Bentes,	Saulo Alves Pereira Junior, Carolina Alvim Guedes Alcoforado, Marina Rosenthal Rocha, Ricardo Wagner Righi de Toledo, Agostinho Faria Cardoso, Aloísio Macário Ferreira de Souza, Antônio Carlos de Andrada Tovar, Franklin Moreira Gonçalves, Luiz Guilherme Piva, Otávio Silva Camargo, Tarcísio Augusto Carneiro, Wieland Silberschneider; ;
Chief Officers :	Adézio de Almeida Lima, Dimas Costa, José de Araújo Lins Neto,	Luciano de Araújo Ferraz, Maura Galuppo Botelho Martins, Ronaldo Gomes de Abreu;
Secretary:	Carlos Henrique Cordeiro Finholdt	

(Signed by:) Carlos Henrique Cordeiro Finholdt.