

CEMIG DISTRIBUIÇÃO S.A.

LISTED COMPANY – CNPJ: 06.981.180/0001-16 – NIRE: 3130002056-8

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 197TH MEETING

Date, time and place: May 8, 2014 at 10.30 a.m. at the company's head office,
Av. Barbacena 1200, 17th Floor, A1 Wing, Belo Horizonte, Minas Gerais,
Brazil.

Meeting Committee: Chair: Djalma Bastos de Moraes;
Secretary: Anamaria Pugedo Frade Barros.

Summary of proceedings:

I Conflict of interest: The members listed below stated that they had no conflict of interest with the matters on the agenda of the meeting.

II The Board approved:

- a) The proposal of Board member Lauro Sérgio Vasconcelos David:
– to elect, as Chair of the Board:

Mr. Danilo de Castro – Brazilian, married, retired government employee, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Júlia Nunes Guerra 145/1101, Luxemburgo, CEP 30380-400, bearer of Identity Card (RG) 978727-SSPMG and CPF 064.447.416-53;

– retaining as vice-Chair of the Board:

Mr. Djalma Bastos de Moraes – Brazilian, married, engineer, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Elza Brandão Rodarte 81/1201, Belvedere, CEP 30320-630, bearer of Identity Card (RG) 1966100268-CREA-RJ and CPF 006633526-49,

- b) The new composition of the Committees of this Board.
b) The minutes of this meeting.

III The Board authorized:

- a) Signature of a technical cooperation working agreement with **Gasmig**, to make technical and economic studies on ten vehicles of the Company's fleet, which will be adapted for use of Vehicle Natural Gas, for twelve months, able to be extended for the same period, upon amendment.
- b) Opening of administrative tender proceedings, and acquisition and installation of the VNG kits in five vehicles under the responsibility of Cemig D.
- c) Opening of Administrative Proceedings for Exemption from Tender, and direct sale, to *Copasa (Companhia de Saneamento de Minas Gerais)* – of an area of 600m², to be separated from the real estate property at Rua Papa João Paulo XXIII s/nº, in the area known as Lava-pés, with total area of 7,300.00m², in Conceição do Rio Verde, Minas Gerais, registered under Nº 5,246, Book 2-RG, in the Real Estate Registry of the Legal District of Conceição do Rio Verde, Minas

Gerais, for the amount stipulated in an Inspection and Valuation Opinion, plus costs of writing of the deed, registry, certificate and ITBI Tax on the property.

- d) Signature, until July 17, 2014, of contracts for supply of electricity and reserve of demand, purchase of regulated electricity, use of the distribution system, connection to the distribution system, and use of the transmission system, with the National Electricity System Operator (ONS), and terms of agreement for works and incorporation of assets and facilities with individual values of sixteen million seven hundred thirty eight thousand one hundred thirty nine Reais and twelve centavos or more; and terms of termination of contract by rescission, cancellation, resilement or related means – including when entered into between Cemig D and any of its stockholders or companies that are their controlling stockholders, whether directly controlled or under joint control, of any value.

IV The Board delegated to the Executive Board, until July 17, 2014, the competency, after statement of position by the Energy Risks Management Committee, to authorize Contracts for Sale of Electricity which have, individually, value of sixteen million seven hundred thirty eight thousand one hundred thirty nine Reais and twelve centavos) or more; and, of any value, terms of assignment, amendments, termination of contract by rescission, cancellation, resilement or related means, service provision contracts and contracts for constitution of guarantees and counter-guarantees associated with them and of the other instruments necessary for their implementation, subject to the rules established in the contracts, including when they are entered into between the Company and any one of its stockholders or companies that are their controlling stockholders, whether directly controlled or under joint control.

V The Board ratified signature, as consenting party, of the agreement to join the Plan B (Mixed Benefits) Pension Plan, between Forluz and INDI, the Minas Gerais Integrated Development Institute (*Instituto de Desenvolvimento Integrado de Minas Gerais*), with Cemig D and Cemig GT as consenting parties, to establish duties and rights of INDI, as sponsor, and of Forluz, as entity responsible for management of the said Plan, for an indeterminate period, with INDI being responsible for the portion of the administrative running cost relating to the Sponsor of Plan B, in proportion to its active participants and persons assisted.

VI Undertakings: The elected Chair and Vice-Chair of this Board stated – in advance – that they are not in any way prohibited from exercising business activity, do not occupy any position in any company that might be considered a competitor, and do not have nor represent any interest conflicting with that of Cemig; and they assumed a solemn commitment to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Ethical Conduct of Public Employees and Senior Management of Minas Gerais State.

VII Comment: The following spoke on subjects of interest to the Company.

The Chair;		
Chief Officers:	José Raimundo Dias Fonseca,	Luiz Fernando Rolla;
General Managers:	Marcus Vinicius de Castro Lobato,	Leonardo George Magalhães;
Secretary:	Anamaria Pugedo Frade Barros.	

The following were present:

Board members:	Djalma Bastos de Morais, Arcângelo Eustáquio Torres Queiroz, Eduardo Borges de Andrade, Fuad Jorge Noman Filho, Guy Maria Villela Paschoal, João Camilo Penna, José Pais Rangel, Paulo Roberto Reckziegel Guedes, Saulo Alves Pereira Junior,	Wando Pereira Borges, Bruno Magalhães Menicucci, Custódio Antonio de Matos, Paulo Sérgio Machado Ribeiro, José Augusto Gomes Campos, Lauro Sérgio Vasconcelos David, Leonardo Maurício Colombini Lima, Luiz Augusto de Barros, Marco Antonio Rodrigues da Cunha,
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	Tadeu Barreto Guimarães,	Marina Rosenthal Rocha;
Chief Officers:	José Raimundo Dias Fonseca;	Luiz Fernando Rolla;
General Managers:	Marcus Vinicius de Castro Lobato,	Leonardo George Magalhães;
Secretary:	Anamaria Pugedo Frade Barros.	

(Signed by:) Anamaria Pugedo Frade Barros.