

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 515TH MEETING

Date, time and place: August 4, 2011 at 2.30 p.m. at the company's head office,
Av. Barbacena 1200, 21st Floor, Belo Horizonte, Minas Gerais, Brazil.

Meeting Committee: Chair: Dorothea Fonseca Furquim Werneck;
Secretary: Anamaria Pugedo Frade Barros

Summary of proceedings:

- I The Chair** asked the Board Members present whether any of them had **conflict of interest** in relation to the matters on the agenda of this meeting, and all stated there was no such conflict of interest.
- II The Chairman** stated that all the matters on the agenda had been examined by Committees of the Board of Directors.
- III The Board approved:**
- a) The Kasinski project.
 - b) The minutes of this meeting.
- IV The Board authorized:**
- a) Signature of the first Amendment to the Agreements to Constitute Consortia with **Imetame Energia S.A.** and the **Minas Gerais Economic Development Company** (*Companhia de Desenvolvimento Econômico de Minas Gerais*), the objects of which are concessions for oil and natural gas exploration, assessment, development and production in the exploratory risk blocks identified as Blocks SF-T-104 and SF-T-114 in the São Francisco Basin, and Block REC-T-163 in the Recôncavo Basin.

- b) Signature, conditional on prior consent of Aneel, of a Term of Agreement between Cemig and **Cemig D**, for performance of the Technical Cooperation Program relating to Working Agreement ATN/OC-12347-BR signed between Cemig and the **Inter-American Development Bank** (IADB).
- c) Constitution of a budget reserve against accidents to the generators, rotors and equipment of the wholly-owned Cemig subsidiaries **Rosal Energia S.A.**, **Sá Carvalho S.A.** and **Cemig PCH S.A.** In the event of accidents with equipment of those companies, if there is not sufficient availability of funds to cover the damage to them, Cemig will provide the necessary injection of funds. In the event that Operational Risk Insurance is once again contracted for this equipment, the balance of this reserve shall be automatically extinguished.
- d) Opening of Administrative Tender Proceedings, in the Pre-qualified Competition mode, and also pre-qualification and subsequent contracting, based on a proposal of best cost to the Company, for the services of law offices to operate in common litigation in the areas of tax, real estate, employment/social security, consumer relations, regulatory, third party liability, and administrative and environmental law, and actions for collection, for a period of 36 months.
- e) Opening of Administrative Tender Proceedings, in the Pre-qualified Competition mode, and also pre-qualification and subsequent contracting, for the services of law offices with well-known specialization in the areas of environmental, administrative, employment and social security, corporate and capital markets, international contract, regulatory, third party, and tax law and brands and patents, for up to 60 months.
- f) Signing of the Second Amendment to Working Agreement 4020000263, with **Cemig D** and **Axxiom Soluções Tecnológicas S.A.**, to:
 - a) extend the period of validity of the Working Agreement to December 31, 2011;
 - b) develop new functionalities and put in place additional modules of the Distribution Management System (SGD), including sustaining of the legacy systems, to be carried out by Axxiom, exclusively, for Cemig D;
 - c) provide for injection of new funds, by Cemig D, in accordance with the disbursement timetables that are part of the New System Work Plan and to fund the partial investments for operational sustaining of and support to the existing systems, during the extension of the period of validity; and
 - d) change the total value of the Working Agreement. Signature of the Term of Agreement between Cemig and Cemig D will be conditional on prior consent being obtained from Aneel.

V The Board ratified the signature, as consenting party, of the following **Amendments to Transmission Concession Contracts**:

- a) the Fifth Amendment to Public Service Electricity Transmission Concession Contract No. 088/2000, between the Federal Government, through Aneel, and Empresa Catarinense de Transmissão de Energia S.A. (**ECTE**) with the following as consenting parties: **Alupar** Investimento S.A. (Alupar), Centrais Elétricas de Santa Catarina S.A. (**Celesc**) and **MDU** Resources Luxembourg II LLC S.À.R.L, the object of which is to formalize the stockholding restructuring of ECTE;
- b) the Fifth Amendment to Public Service Electricity Transmission Concession Contract No. 085/2002, between the Federal Government, through Aneel, and Empresa Norte Transmissão Energia S.A (**ENTE**) with **Alupar** as consenting party, the object of which is to formalize the stockholding restructuring of ENTE; and
- c) the Fifth Amendment to Public Service Electricity Transmission Concession Contract No. 083/2002, between the Federal Government, through Aneel, and Empresa Regional de Transmissão de Energia S.A. (**ERTE**) with **Alupar** as consenting party, the object of which is to formalize the stockholding restructuring of ERTE;

– all these stockholding restructurings resulting from transfer of shares.

VI Withdrawn from the agenda: The item relating to signature of a term of settlement to a contract for reimbursement and prorating of expenses with **Furnas** Centrais Elétricas S.A. was withdrawn from the agenda.

VII Comments: Members of the Board, and the Chief Officer Luiz Fernando Rolla made comments about general matters and business of interest to the Company.

The following were present:

Board members:	Dorothea Fonseca Furquim Werneck, Djalma Bastos de Moraes, Antônio Adriano Silva, Arcângelo Eustáquio Torres Queiroz, Eduardo Borges de Andrade, Francelino Pereira dos Santos, Guy Maria Villela Paschoal, João Camilo Penna, Luiz Carlos Costeira Urquiza, Maria Estela Kubitschek Lopes,	Otávio Marques de Azevedo, Saulo Alves Pereira Junior, Newton Brandão Ferraz Ramos, Paulo Márcio de Oliveira Monteiro, Adriano Magalhães Chaves, Cezar Manoel de Medeiros, Fernando Henrique Schüffner Neto, Lauro Sérgio Vasconcelos David, Leonardo Maurício Colombini Lima, Paulo Sérgio Machado Ribeiro, Tarcísio Augusto Carneiro:
Chief Officer:	Luiz Fernando Rolla;	
Secretary:	Anamaria Pugedo Frade Barros.	