CNPJ/MF 02.474.103/0001-19 – NIRE 4230002438-4

MINUTES OF THE SIXTY-EIGHTH MEETING OF THE BOARD OF DIRECTORS OF TRACTEBEL ENERGIA S.A.

At 4.00 p.m. on the fifteenth day of the month of December of the year two thousand and five, the following members of the Board of Directors of Tractebel Energia S.A., having been duly convened, met at Av. Almirante Barroso, 52, 14th floor, room 1401, in the city and state of Rio de Janeiro: Maurício Stolle Bähr, Manoel Arlindo Zaroni Torres, Jan Franciscus María Flachet, Victor-Frank de Paula Rosa Paranhos and Luiz Antônio Barbosa, constituting a majority of the members of the Board. The meeting was presided over by the Chairman of the Board of Directors, Maurício Stolle Bähr, who proposed that I, José Moacir Schmidt, should act as secretary to the meeting, which was agreed to by the other members of the Board. After welcoming those present, the Chairman opened up for discussion the order of the day, in accordance with the notice of convening CA-011/2005 of December 6 2005, as follows: **Item 1** – to approve the Sales and Market Risk Management Policy; **Item 2** – to approve the declaration of interest on shareholders' equity for the period November 11 2005 to December 31 2005; **Item 3** – to approve the Company's participation in the energy auction, the object of Invitation to Bid 002/2005-ANEEL, with an offer of up to 744MWm; **Item 4** - to approve the purchase of coal under contract to supply the Charqueadas thermoelectric power generation plant as well as the Jorge Lacerda thermoelectric power generation complex; **Item 5** – to approve and ratify the power sale and purchase contracts entered into by Tractebel Energia Comercializadora Ltda.; **Item 6** – other matters. Following discussion of the above matters, the Chairman put the items in the Order of the Day to the vote, the Board members then voting as follows: **DECISIONS: Item 1** – **Unanimous approval** of the Company's Sales and Market Risk Management Policy, as approved by the Executive Board of the Company, *ad referendum* of this Board of Directors, at a meeting held on December 15 2003, in conjunction with the amendments also approved by the Executive Board in a meeting held on October 24 2005, it being recommended that the final document be placed on file at the Company and classified as confidential, with restricted access; **Item 2 – Unanimous approval**, pursuant to DD-273-0002, to be filed at the Company, of the proposal of the Executive Board to declare interest on shareholders' equity for the period from November 11 2005 to December 31 2005, pursuant to art. 9 of Law 9.249/95 and CVM Decision 207/96, in the following amounts and under the following conditions: **a)** the total amount declared shall be R$39,700,000.00, equivalent to R$0.060820 per share; **b)** the interest on shareholders' equity shall be accounted for in the books of the Company on December 31 2005, based on shareholding positions as of December 23 2005; **c)** the Company's shares shall start trading ex-interest on shareholders' equity on December 26 2005; **d)** income tax at the rate of 15% shall be withheld at source from the amounts of interest on shareholders' equity due, except in the case of shareholders proven to be immune or exempt, evidence of which should be presented no later than December 28 2005. Income tax shall be withheld at a rate of 25% in the case of shareholders resident or domiciled in countries where income is not taxed or is taxed at a maximum rate of less than 20%, in accordance with art. 24 of Law 9,430 of December 27 1996; **e)** the interest on shareholders' equity, net of taxes withheld at source, shall be computed as part of the minimum mandatory dividend for fiscal year 2005, pursuant to paragraph 7 of article 9 of Law 9,249/95 and CVM decision 207/96; **f)** the date of payment of the interest on shareholders' equity shall be April 19 2006, according to shareholder information registered at Banco Itaú S.A.; **Item 3 – Unanimous approva**l of the Company's participation in the energy auction, object of Invitation to Bid 002/2005-ANEEL, with an offer of up to 744 MWm, the Executive

Board being authorized to practice whatever acts may be necessary to implement this decision, including the signing of the resulting power purchase and sale contracts; **Item 4 – Unanimous approval**, as documented in DDs-272-0002 and 272-0003, both dated November 28 2005 and which shall remain on file at the Company, of the signing of Contract DGT.NAJL.05.30204 and Contract DGT.NACH.30270, for the supply of coal to the Jorge Lacerda thermoelectric power generation complex and the Charqueadas thermoelectric power generation plant, respectively, all the measures and acts already taken by the Company's Executive Board in connection with this being hereby ratified; and **Item 5 – Unanimous approval and ratification** of the contracts entered into by Tractebel Energia Comercializadora Ltda., *ad referendum* the Executive Board of the Company and this Board of Directors, as itemized in the attached list, which shall remain on file at the Company. The meeting was opened up to the Board members present, following which, no other issues having been raised, the Chairman declared the meeting closed, requesting that these minutes be drawn up by myself, the Secretary, which, having been read and agreed upon, were signed by all members of the Board of Directors present, including the Chairman and myself. Rio de Janeiro/RJ, December 15 2005.

Maurício Stolle Bähr
Chairman of the Board

Manoel Arlindo Zaroni Torres
Board Member

Jan Franciscus María Flachet
Board Member

Victor-Frank de Paula Rosa Paranhos
Board Member

Luiz Antônio Barbosa
Board member

José Moacir Schmidt
Secretary