

ENERGY CO OF MINAS GERAIS

Form 6-K

August 24, 2010

[Table of Contents](#)

## **FORM 6-K**

# **SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

### **REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of August 2010**

**Commission File Number 1-15224**

## **Energy Company of Minas Gerais**

(Translation of Registrant's Name Into English)

**Avenida Barbacena, 1200**

**30190-131 Belo Horizonte, Minas Gerais, Brazil**

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

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Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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Table of Contents

Index

<b>Item</b>	<b>Description of Item</b>
<u>1.</u>	<u>Second Quarter 2010 Earnings Release, Companhia Energética de Minas Gerais – CEMIG</u>
<u>2.</u>	<u>Quarterly Financial Information for the quarter ended June 30, 2009, Companhia Energética de Minas Gerais – CEMIG</u>
<u>3.</u>	<u>Second Quarter 2010 Results Presentation, Companhia Energética de Minas Gerais – CEMIG</u>
<u>4.</u>	<u>Summary of Minutes of the 108th Meeting of the Board of Directors, Cemig Distribuição S.A., June 2, 2010</u>
<u>5.</u>	<u>Summary of Minutes of the 486th Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, June 15, 2010</u>
<u>6.</u>	<u>Summary of Principal Decisions of the 489th Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, July 19, 2010</u>
<u>7.</u>	<u>Summary of Principal Decisions of the 111th Meeting of the Board of Directors, Cemig Distribuição S.A., July 19, 2010</u>
<u>8.</u>	<u>Summary of Principal Decisions of the 117th Meeting of the Board of Directors, Cemig Geração e Transmissão S.A., July 19, 2010</u>
<u>9.</u>	<u>Announcement – Resignation of Certain Members of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, dated July 19, 2010</u>
<u>10.</u>	<u>Market Announcement – Ratings Increase by Fitch Ratings, Companhia Energética de Minas Gerais – CEMIG, July 28, 2010</u>
<u>11.</u>	<u>Summary of Principal Decisions of the 490th Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, July 29, 2010</u>
<u>12.</u>	<u>Summary of Principal Decisions of the 118th Meeting of the Board of Directors, Cemig Geração e Transmissão S.A., July 29, 2010</u>
<u>13.</u>	<u>Summary of Principal Decisions of the 491st Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, August 3, 2010</u>

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### Table of Contents

14. Summary of Principal Decisions of the 112th Meeting of the Board of Directors, Cemig Distribuição S.A., August 3, 2010
15. Summary of Principal Decisions of the 119th Meeting of the Board of Directors, Cemig Geração e Transmissão S.A., August 3, 2010
16. Minutes of the Extraordinary General Meeting of Stockholders, Companhia Energética de Minas Gerais – CEMIG, August 4, 2010
17. Material Announcement – Acquisition of Transmission Companies by Taesa, Companhia Energética de Minas Gerais – CEMIG, August 6, 2010
18. Summary of Principal Decisions of the 113th Meeting of the Board of Directors, Cemig Distribuição S.A., August 16, 2010
19. Summary of Principal Decisions of the 120th Meeting of the Board of Directors, Cemig Geração e Transmissão S.A., August 16, 2010
20. Summary of Principal Decisions of the 492nd Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, August 16, 2010
21. Market Announcement – Acquisition of 49% Interest in Lightger S.A., Companhia Energética de Minas Gerais – CEMIG, August 18, 2010
22. Summary of Minutes of the 487th Meeting of the Board of Directors, Companhia Energética de Minas Gerais – CEMIG, June 24, 2010
23. Summary of Minutes of the 109th Meeting of the Board of Directors, Cemig Distribuição S.A., June 24, 2010

### Forward-Looking Statements

This report contains statements about expected future events and financial results that are forward-looking and subject to risks and uncertainties. Actual results could differ materially from those predicted in such forward-looking statements. Factors which may cause actual results to differ materially from those discussed herein include those risk factors set forth in our most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. CEMIG undertakes no obligation to revise these forward-looking statements to reflect events or circumstances after the date hereof, and claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA ENERGETICA DE MINAS GERAIS CEMIG

By: /s/ Luiz Fernando Rolla  
Name: Luiz Fernando Rolla  
Title: Chief Financial Officer, Investor Relations  
Officer and Control of Holdings Officer

Date: August 24, 2010

Table of Contents

1. Second Quarter 2010 Earnings Release, Companhia Energética de Minas Gerais CEMIG

Table of Contents

**EARNINGS RELEASE**

**2Q 2010**

**This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.**

Table of Contents

(Figures in R\$ 000, except where otherwise stated)

- **2Q10 HEADLINES**
  
- Ebitda of ***R\$ 874 million***, and Adjusted Ebitda of ***R\$ 1.1 Billion***
  
- Net income of ***R\$ 291 million***, and Adjusted Net Income of ***R\$ 477 million***
  
- Net sales revenue of ***R\$ 3 billion***
  
- Cash position of ***R\$ 4 billion***
  
- Electricity sold in 2Q10: ***16,769 GWh***, ***12.50%*** increase over the 2Q09



Table of Contents

- Appreciation in value of Cemig's shares and ADRs - 3 months to June 30:

		Close of 2Q10		Close 2Q09	Appreciation %
CMIG4	R\$	26.16	R\$	22.81	14.69
CMIG3	R\$	19.45	R\$	17.54	10.89
CIG	US\$	14.67	US\$	11.65	25.92
CIG.C	US\$	11.20	US\$	8.96	25.00
XCMIG		11.94		9.57	24.76

Table of Contents

- **Economic summary**

(R\$ million)

	2Q10	2Q09	Change (%)
Electricity sold, GWh	16,768	14,905	12.50
Gross revenue	4,525	4,437	1.99
Net revenue	2,954	2,972	(0.60)
EBITDA	874	1,035	(15.60)
Net income	291	524	(44.54)

- **Consolidated electricity market**

In 2Q10 Cemig sold a total of 16,768 GWh, 12.5% more than in the same period of 2009.

As well as the growth in consumption by all the categories of final consumers, one highlight of the quarter was the high volume of electricity traded on the CCEE, which was 311% higher, at 1,853 GWh in 2Q10, than in 2Q09 (450 GWh).

This expansion arises from the higher volume of secondary energy sold than in 2Q09: sales to other concession holders were 9.52% lower, due to the ending of contracts signed by Cemig in the Adjustment Auction in 2009.

Table of Contents*Consolidated sales volume- MWh*

	2Q10	MWh (*) 2Q09	Change, %
Residential	2,518,012	2,421,497	3.99
Industrial	6,040,712	5,538,838	9.06
Commercial, services and others	1,593,513	1,530,866	4.09
Rural	607,873	521,051	16.66
Public authorities	289,769	267,399	8.37
Public illumination	309,525	304,096	1.79
Public service	344,898	332,335	3.78
<b>Subtotal</b>	<b>11,704,302</b>	<b>10,916,082</b>	<b>7.22</b>
Own consumption	13,617	12,841	6.04
<b>Sales to final consumers</b>	<b>11,717,919</b>	<b>10,928,923</b>	<b>7.22</b>
Wholesale supply to other concession holders	3,189,832	3,525,472	(9.52)
Transactions in electricity on the CCEE	1,853,463	450,841	311.11
Sales under the PROINFA program	7,299		
<b>Total</b>	<b>16,768,513</b>	<b>14,905,236</b>	<b>12.50</b>

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(\*) The information in MWh has not been reviewed by the external auditors.

**Sales to final consumers**

The total volume of electricity sold to final consumers in the second quarter of 2010 was 11,718 GWh, or 7.22% more than the 10,929 GWh sold in the second quarter of 2009.

This basically reflects the resumption of economic activity, especially reflected in the industrial and residential user categories, in which consumption was up 9.06% and 3.99% respectively.

This chart shows electricity sales by category of final consumer:

Table of Contents

**Sales volume, by consumer type (%), 2Q10**

Sales to industrial consumers were around 52% of the total sold, followed by the residential category with 21%, and the commercial category with 14%.

In the six-month period ending in June 2010 sales to final consumers totaled 22,469 GWh, 2.60% more than in 2Q09 (21,901 GWh).

Table of Contents

- **The market of Cemig GT**

Cemig GT sold 9,088 GWh in 2Q10, 5.67% more than in 2Q09 (8600 GWh).

The lower total of wholesale supply to other concession holders is basically due to the ending of the contracts signed by Cemig GT in the 2009 Adjustment Auction, when the electricity was again placed in the free market, which expanded significantly, led by the industrial consumer category, which was 12.60% higher, at 4,510 GWh, compared to 4,006 GWh in 2Q09.

As a result of the higher volume of secondary electricity sold in the period, electricity trading transactions on the CCE were 339% higher, at 1120 GWh, compared to 255 GWh in 2Q09.

Table of Contents

Cemig GT Sales volume	2Q10	MWh 2Q09	Change, %
Industrial	4,510,973	4,006,327	12.60
Commercial	14,190	2,145	561.54
Uninvoiced supply , net			
	<b>4,525,163</b>	<b>4,008,472</b>	<b>12.89</b>
Wholesale supply to other concession holders (*)	3,435,310	4,337,061	(20.79)
Transactions in electricity on the CCCE	1,120,848	255,298	339.04
Sales under the PROINFA program	7,300		
<b>Total</b>	<b>9,088,621</b>	<b>8,600,831</b>	<b>5.67</b>

- **The market of Cemig D**

Cemig D sold 5,710 GWh in 2Q10, 3.47% more than in 2Q09.

This increase reflects the recovery in economic activity in the distributor's concession area, led by the residential, commercial and rural consumer categories. As a result of migration of consumers from the captive market to the free market, sales to the industrial category were 1.43% lower in 2Q10 than in 2Q09.

Table of Contents

Adjusted for this migration, consumption by the industrial category was 14% higher, representing a volume of sales to final consumers 7% higher.

	MWh (*)		Change,
Sale volume	2Q10	2Q09	%
Residential	2,009,502	1,956,115	2.73
Industrial	1,160,467	1,177,292	(1.43)
Commercial, services and others	1,187,752	1,153,229	2.99
Rural	604,722	518,071	16.73
Public authorities	197,410	179,525	9.96
Public illumination	266,131	261,392	1.81
Public service	274,904	264,632	3.88
<b>Subtotal</b>	<b>5,700,888</b>	<b>5,510,256</b>	<b>3.46</b>
Own consumption	9,282	8,556	8.49
	5,710,170	5,518,812	3.47
Transactions in electricity on the CCEE (**)	654,191	(90,075)	
<b>Total</b>	<b>6,364,361</b>	<b>5,428,737</b>	

- **The market of Light**

For more details on Light's sales in the second quarter of 2010, please see this link:

[http://www.mzweb.com.br/light/web/arquivos/Light\\_Press\\_Release\\_2T10\\_en.pdf](http://www.mzweb.com.br/light/web/arquivos/Light_Press_Release_2T10_en.pdf)

Table of Contents

- **Consolidated operational revenue**

**Revenue from supply of electricity**

Revenue from supply of electricity in 2Q10 was R\$ 3,718,053, 1.29% more than in 2Q09 (R\$ 3,670,692).

The main factors affecting revenue in 2010 were:

- Tariff Adjustment with average impact on consumer tariffs of +1.67%, starting from April 8th, 2010.
- Volume of energy invoiced to final consumers (excluding Cemig's own internal consumption) 7.22% higher than in 2Q09.

The volume of electricity sold to other concession holders in 2Q10 was 9.52% lower than in 2Q09, and average price in these sales was also lower, at R\$ 105.14/MWh, compared to R\$ 129.54/MWh in 2Q09. This reduction mainly reflected the contracts made through the Adjustment Auction that took place in 2009, which power was sold for an average price of R\$ 145.00/MWh. As a result, Revenue from wholesale supply



Table of Contents

to other concession holders was 26.56% lower year-on-year, at R\$ 335,388 in 2Q10, than in 2Q09 (R\$ 456,680).

**Supply to other concession holders**

The volume of electricity sold to other concession holders in 2Q10 was 9.52% lower than in 2Q09, and average price in these sales was also lower, at R\$ 105.14/MWh, compared to R\$ 129.54/MWh in 2Q09. This reduction mainly reflected the contracts made through the Adjustment Auction that took place in 2009, which power was sold for an average price of R\$ 145.00/MWh. As a result, Revenue from wholesale supply to other concession holders was 26.56% lower year-on-year, at R\$ 335,388 in 2Q10, than in 2Q09 (R\$ 456,680).

**Revenue from use of the network – Free Consumers**

This refers to the TUSD – Tariff for use of the Distribution System – arising from the charges made to Free Consumers, on energy sold, and also from the revenue for use of Cemig GT's basic transmission grid. It was 3.44% higher in 2Q10, at that R\$ 645,671, than in 2Q09 (R\$ 624,195).

Table of Contents

As well as reflecting higher transport of electricity to free consumers, on resumption of activity by industrial clients, and migration of captive clients to the free market, the figures include revenue from the operations of the transmission company **Taes**, acquired in the fourth quarter of 2009.

At the same time, the Company recorded a reduction of revenue, of R\$ 64,586, from the tariff repositioning, by a negative percentage of 15.88%, applied to its revenue backdated to July 2009, in the 2010 Transmission Tariff Review. In 2009, by contrast, a Revenue item of R\$ 158,090 was recorded, as a result of the Transmission Tariff Review with backdated effect covering the period from July 1st , 2005 to June 30th , 2009.

Table of Contents

- **EBITDA**

Cemig's Ebitda in the second quarter of 2010 was 15.60% lower than its Ebitda for the second quarter of 2009. Adjusted for the non-recurring items, it was 8.02% higher.

The 15.60% lower figure for Ebitda in 2Q10 than in 2Q09 mainly reflects the following non-recurring adjustments in the years of 2009 and 2010:

- In 2010 the company recorded a reduction of revenue of R\$ 64,586, arising from the tariff repositioning, by a negative percentage, of 15.88%, applied to its revenue backdated to July 2009, in the 2010 Review of the Transmission Tariff.
- In 2009, on the other hand, the company recorded a positive revenue item of R\$ 158,090, arising from the tariff repositioning under its First Transmission Tariff Review, which was an increase of 5.35%, for the period backdated to 2005.

Table of Contents

- Recognition by Cemig's distribution company (Cemig Distribuição S.A. - **Cemig D**) of an expense of R\$ 177,592, for settlement of a legal action brought by **Rima Industrial S.A.**, for reimbursement of the tariff increase introduced by the DNAEE (National Water and Energy Authority) during the *Cruzado* economic plan of 1986.
- Recognition of an ICMS tax expense relating to the subsidy for the discount on tariffs for low-income consumers, in the amount of R\$ 25,702, resulting from the decision to subscribe to the Tax Amnesty program put in place by the government of the State of Minas Gerais.
- Provisions, in 2010 and 2009, of R\$ 14,246, and R\$ 192,918, respectively, for the Company's Voluntary Retirement Program.

Table of Contents

This table shows these non-recurring adjustments:

<b>EBITDA - R\$ 000</b>	<b>2Q10</b>	<b>2Q09</b>	<b>Change %</b>
Net income	290,516	523,794	(44.54)
+ Income tax and Social Contribution tax	154,747	245,493	(36.96)
+ Profit shares	43,452	45,645	(4.80)
- Financial revenue (expenses)	177,109	33,207	433.35
+ Depreciation and amortization	207,891	172,487	20.53
+ Minority interests		14,598	
<b>EBITDA</b>	<b>873,715</b>	<b>1,035,224</b>	<b>(15.60)</b>
Non-recurring items:			
+ Settlement with Rima Industrial S.A.	177,592		
+ ICMS tax low-income consumers	25,702		
+/- Review of Transmission Revenue Explanatory Note 8	64,586	(158,090)	(140.85)
+ PPD/PDV	14,246	192,918	(92.62)
<b>= Adjusted Ebitda</b>	<b>1,155,841</b>	<b>1,070,052</b>	<b>8.02</b>

(Method of calculation not reviewed by our external auditors.)

• **Net income**

In the second quarter of 2010, CEMIG reported a net income of R\$ 290,516, 44.54% less than the net income of R\$ 523,794 reported for the second quarter of 2009. Basically this reflects non-recurring adjustments in 2010:

- for the court settlement, of R\$ 177,592, made by Cemig Distribuição with an industrial consumer in a legal action arising from a tariff increase made in the *Cruzado* economic plan (of 1986); and

Table of Contents

- recognition of a reduction of revenue, of R\$ 64,586, arising from the 2010 periodic Transmission Tariff Review, which applied a tariff repositioning of 15.88% backdated to July 2009.

When not considering these non-recurring adjustments, the net income of the 2Q10 is 13% lower than in 2Q09, with R\$ 477 million and R\$ 547 million, respectively.

- **Deductions from operational revenues**

Deductions from operational revenues in 2Q10 totaled R\$ 1,571,377, which was 7.86% more than in 2Q09 (R\$ 1,456,890). Main year-on-year variations in the deductions from revenue were:

Table of Contents

**The Fuel Consumption Account CCC**

The deduction from revenue for the CCC was R\$ 169,797 in 2Q10, 11.67% more than in 2Q09 (R\$ 152,049). This is a contribution for the costs of operation of the thermal plants in the national grid and in the isolated systems. It is shared between electricity concession holders, on a basis set by an ANEEL Resolution. This is a non-controllable cost. The amount posted for electricity distribution services is passed through in full to the tariff. For the amount posted in relation to electricity transmission services the company merely passes through the charge it is charged to Free Consumers on the invoice for the use of the basic grid, and passed on to Eletrobrás.

**CDE Energy Development Account**

The deduction from revenue for the CDE was R\$ 117,392 in 2Q10, compared to R\$ 101,959 in 2Q09, an increase of 15.14%. This is a non-controllable cost. The amount posted for electricity distribution services is passed through in full to the tariff. For the amount posted in relation to

Table of Contents

electricity transmission services the company merely passes through the charge this part is charged to Free Consumers on the invoice for the use of the grid, and passed onto Eletrobrás.

**Global Reversion Reserve RGR**

The charge for the RGR in 1Q10 was R\$ 44,907, compared to R\$ 43,730 in 2Q09. This is a non-controllable cost: the expense recognized in the income statement is the amount passed through to the tariff.

The other deductions from revenue are for taxes that are calculated as a percentage of invoiced revenue hence their variations are substantially the same in percentage terms as the changes in revenue.



Table of Contents

- **Non-controllable costs**

Differences between the sums of non-controllable costs, used as a reference in calculating the tariff adjustment, and disbursements actually made (also known as CVA ), are offset in subsequent tariff adjustments. They are recorded in Assets and Liabilities. Due to a change in ANEEL 's plan of accounts, some items were transferred to Deductions from operational revenue. For more information, please see Explanatory Notes 2 and 9 to the Quarterly Information.

- **Operational costs and expenses (excluding Financial revenue/expenses)**

Operational costs and expenses (excluding Financial revenue (expenses)) in 2Q10 totaled R\$ 2,288,387, 8.48% more than in 2Q09 (R\$ 2,109,426). This was mainly due to a provision, of R\$ 177,592, recorded in *Other expenses*, arising from settlement of a legal action with a large industrial consumer in 2Q10.

Table of Contents

The main variations in operational expenses were:

**Personnel expenses**

Personnel expenses totaled R\$ 298,687 in 2Q10, 33.36% less than in 2Q09 (R\$ 448,231). This mainly reflects the expense on the PDV Voluntary Retirement Program, of R\$ 192.918 recorded in the second quarter of 2009, compared to R\$ 14,246 in 2Q10, and also the fact that the number of employees was reduced from 10,144 in June 2009 to 9,341 in June 2010.

**Electricity bought for resale**

The expense on electricity bought for resale in 2Q09 was R\$ 918,207, 9.54% more than the expense of R\$ 838,265 in 2Q09. This is in its major share a non-controllable cost: the expense recognized in the income statement is the amount passed on to the tariff. There is more information on this in Explanatory Note 28 to the Consolidated Quarterly Information.

Table of Contents

**Charges for use of the transmission grid**

Expenses on charges for the use of the transmission grid were R\$ 186,844 in 2Q10, 11.22% higher than in 2Q09 (R\$ 210,456).

These expenses, set by an ANEEL Resolution, are payable by electricity distribution and generation agents for use of the facilities that are components of the national grid. This is a non-controllable cost in the Distribution activity: the deduction from revenue recognized in the Income statement corresponds to the value actually passed through to the tariff.

**Post-employment obligations**

Expenses on post-employment obligations totaled R\$ 44,150 in 2Q10, 27.92% more than in 2Q09 (R\$ 34,515). These expenses basically represent the interest applicable to Cemig's actuarial obligations, net of the investment yield expected from the pension plans' assets, estimated by an external actuary. The higher expense in 2Q10 basically reflects lower expectation of revenue from the plan's assets in 2010.

Table of Contents

**Operational provisions**

Expenses on operational provisions in 2Q10 were R\$ 183,985, compared to R\$ 6,876 in 2Q09. The difference reflects an item of R\$ 177,592, provisioned in May 2010, arising from settlement to terminate a legal action brought by an industrial consumer relating to the tariff increase ordered by the National Water and Electricity Authority (DNAEE) by its Ministerial Order 045, of 1986.

- **Financial revenues (expenses)**

The main factors in the difference between financial revenues/expenses in 2Q10 and 2Q09 are:

Recording of an expense, in 2Q10, of R\$ 338, under Net monetary adjustment