

CPFL Energy INC
Form 6-K
October 21, 2004

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

for the month of October 2004

Comission File Number **32297**

CPFL Energy Incorporated

(Translation of registrant's name into English)

**Rua Ramos Batista, 444, 13° andar
CEP 04552-020 São Paulo, São Paulo
Federative Republic of Brazil**

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

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):
82-_____

CPFL ENERGIA S.A.

BNDESPAR Increases Equity Stake in CPFL Energia

CPFL Energia S.A. ("CPFL Energia"), a Brazilian holding company that, through its subsidiaries, distributes, generates and commercializes electricity in Brazil, informs the public that on October 20, 2004, BNDES Participações S.A. ("BNDESPAR") exercised its right to convert 147,207 of debentures issued by VBC Energia S.A. ("VBC"), one of CPFL Energia's controlling shareholders, into common shares of CPFL Energia's capital stock. As a result of the conversion, 8,920,744 common shares previously held by VBC, or approximately 1.98% of CPFL Energia's capital stock, will now be held by BNDESPAR, increasing its equity stake from 3.12% to 5.10%. The conversion by BNDESPAR does not affect the number of outstanding shares of CPFL Energia.

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.

Date: October 21, 2004

CPFL ENERGIA S.A.

By: /s/ JOSÉ ANTONIO DE ALMEIDA FILIPPO

Name: José Antonio de Almeida Filippo
Title: Chief Financial Officer and Head of Investor Relations

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.