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Brasilia, June 22 (RHC)-- Brazil's lower house of Congress on Monday approved a bill allowing the privatization of state-controlled energy company Eletrobras, sending the measure to President Jair Bolsonaro for his signature.

The government-proposed bill would privatize Latin America's biggest power utility -- known formally as Centrais Eletricas Brasileiras SA -- by floating shares on the stock market, with the state relinquishing control by diluting its 61% stake.

The Bolsonaro administration expects to raise about 25 billion reais (\$5 billion) from the share sale. The proceeds will go to the Treasury to pay for the renewal of concessions for Eletrobras hydroelectric plants and transmission lines.

The privatization bill passed by a vote of 258 votes in favor, 136 opposed and five abstentions. The congressional move to privatize Eletrobras met with strong opposition from popular sectors across the South American giant. They say electricity prices will be pushed up and is coming at a time when Brazil is facing the threat of electricity rationing due to the worst drought in nearly a century. Thermoelectric plants are working at capacity generating more expensive power.

Former President Luiz Inacio Lula da Silva warned about the privatization of Eletrobras, which may risk the country's energy sovereignty and security. Da Silva denounced on Twitter that Bolsonaro will sell the company "at the price of a banana" and is "just another crime against the Brazilian people and the future of our country," adding that privatizing Eletrobras means "delivering an invaluable legacy on a silver platter."

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