

PREPARATION TO THE XXIX WINTER UNIVERSIADE 2019

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THE MAIN RESULTS OF WORK:

- launch of the substation "Belyye Rosy" and "Ozernaya";
- launch of supermodern digital control centre;
- technological connection of 13 Universiade objects (7 sports "Yenisey", "Arena Sever", "Biathlon Academy" and 6 socially significant objects;
- reconstruction of 10 substations of Krasnoyarsk;
- conducting from November 22, 2018 to December 22, 2018 of large-scale exercises of power engineers of PJSC Rosseti.

investment volume on the training
program power system of the
Krasnoyarsk Region to international
competition

in 32

times have been increased
annual investment to the
power grid infrastructure
of the Krasnoyarsk in 2018

UNIVERSIADE'S HERITAGE:

- a reserve for technological connection has been created for 8 years;
- accident rate in 0.4–110 kV networks reduced by 23%;
- time of liquidation of technological violations: today it is less than 1 hour.

IDGC of Siberia, presented to the Krasnoyarsk to the Universiade not only updated networks and reliable power supply, but also new bright «decorations» – elements urban improvement: 3D «Yenisei Siberia» and «Light Tunnel».

3D «Yenisei Siberia» inscription with dynamic illumination is installed in the area of Nikolayevsky Bridge on the left bank. The weight of each letter is about 3 tons, and the total mass of the structure is 52 tons. The inscription is about 8 meters height and 112 meters length. More than 1.5 thousand assembly bolts and studs were used to create this. Each letter is separately highlighted by illumination.

16 pylons of power transmission lines, two Krasnoyarsk and Oktyabrsky District steles, the building of the Oktyabrsky District of electrical grids received dynamic lighting within the framework of «Light Tunnel» project. Thus, a significant part of the way from the airport to the locations of the participants of the competition and guests of the city will overcome by the «Light Tunnel».

#KRASNOYARSK 2019

Power transmission service tariff

Power transmission service tariffs are approved by the executive authorities in the field of state regulation of tariffs of the Russian Federation regions in the relevant areas of the Company's activity. Power transmission service tariffs to the regions of the Company's¹ presence were approved on January 1, 2018. The regulation of power transmission service tariffs in all branches of PJSC IDGC of Siberia are performed by indexing the required gross revenue in 2018.

Changes in time of the average power transmission service tariff across the branches, rub./ kWh

Branch	2016	2017	2018	Pulling, %
Altay Region (Altaienergo)	1.05	1.06	1.01	-4.72
Republic of Altay (Gorno-Altayskiye Capacity Grids)	2.55	2.66	2.68	0.75
Republic of Buryatia (Buryatenergo)	1.25	1.22	1.29	5.74
Krasnoyarsk Region (Krasnoyarskenergo)	0.92	1.01	1.13	11.88
Kemerovo Region (Kuzbassenergo-Regional Electric Grids)	0.44	0.49	0.50	2.04
Omsk Region (Omskenergo)	0.87	0.89	0.85	-4.49
Republic of Khakassia (Khakasenergo)	0.45	0.59	1.09	84.75
Zabaikalye Region (Chitaenergo)	1.2	1.22	1.22	0.00
Average for PJSC IDGS of Siberia	0.78	0.86	0.92	6.98
Increase, %	107%	110%	107%	

The decrease in the average tariff for the Altayenergo branch is connected with the transfer of the Altayenergo branch from the regulation of the return on invested capital method to the long-term indexation method of NVB and the exclusion of return on invested capital.

The increase in the average tariff for the Krasnoyarskenergo branch is due to the inclusion of shortfall in income from the termination of the last mile contracts in Krasnoyarsk Region (the contract has been terminated since 2010). The decrease in the average tariff for Omskenergo branch is associated with a decrease in capital gains taken into account when approving the required gross revenue.

The increase in the average tariff for Khakasenergo branch is connected with the termination of the last mile agreements on the territory of Republic of Khakassia from July 1, 2017 in accordance with Federal Law No. 308-FZ of November 6, 2013 On Amendments to the Federal Law On Electric Capacity Industry and Article 81 of the Federal Law On Joint-Stock Companies.

In accordance with the Federal Law of November 06, 2013 No. 308-FZ On Amendments to the Federal Law On Electric Capacity Industry and Article 81 of the Federal Law On Joint-Stock Companies, the last mile agreements are prolonged in Republic of Buryatia and Zabaikalye Region until July 01, 2029. In these territories, in relation to consumers of the last mile from 2014, a separate voltage level NV-1 was introduced to calculate the power transmission service tariffs.

The size of the cross-subsidy rate is determined as the difference between the size of the cross-subsidy rate in the previous year and the amount of cross-subsidy, which is not less than 7 % of the size of the cross-subsidy rate as of January 1, 2014 in Republic of Buryatia and Zabaikalye Region, from July 1, 2017.

1. List of tariff resolutions passed by regulatory bodies of constituent territories of the Russian Federation in Company activity zones is given in Appendix 18 of the Full Version of the Annual Report at official Company's website

According to the Federal Law of 06.11.2013 No. 308-FZ, the rate as of January 1, 2014 for Republic of Buryatia is set at 550 rub. per thsd kilowatt-hours, for Zabaikalye Region – 420 rub. per thsd kWh.

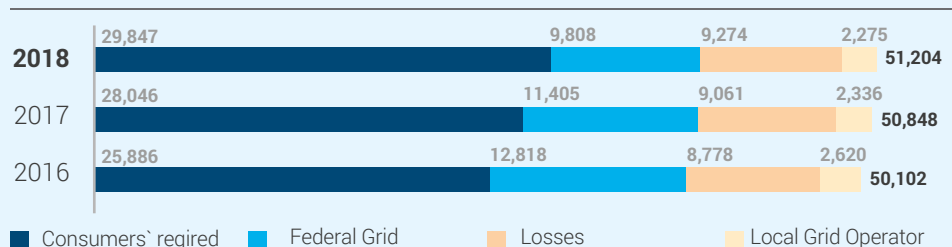
The company, not agreeing with the results of the adopted tariff-balance decisions for 2018, appealed to FAS Russia.¹

Average power transmission service tariff in the territories of PJSC IDGS of Siberia presence, rub./ kWh

Region / Consumer groups			2018
	1 st halfyear	2 nd halfyear	Surplus
Altay Region			
Population	1.64	1.63	-1%
Other consumers	1.51	1.54	2%
Republic of Buryatia			
Population	1.74	1.76	1%
Other consumers	2.05	2.12	3%
Republic of Altay			
Population	2.31	2.24	-3%
Other consumers	3.04	3.08	1%
Krasnoyarsk Region			
Population	1.17	1.14	-2%
Other consumers	1.66	1.67	1%
Kemerovo Region			
Population	0.79	0.82	3%
Other consumers	1.51	1.51	0%
Omsk Region			
Population	1.28	1.22	-5%
Other consumers	0.94	0.98	4%
Republic of Khakassia			
Population	0.83	0.84	1%
Other consumers	1.48	1.45	-2%
Zabaikalye Region			
Population	1.56	1.60	2%
Other consumers	1.92	1.91	0%

The difference in power transmission service tariffs in the regions of PJSC IDGC of Siberia presence is associated with different concentrations of large and medium-sized enterprises in regions of the Siberian Federal District.

Approved required gross revenue for PJSC IDGS of Siberia power transmission



1. Measures to resolve disputes regarding adopted tariff-balance resolutions are given in Appendix 18 of the Full Version of the Annual Report at official Company's website

The reduction in the payment of services of PJSC FGC UES is connected with the termination of the last mile agreements on the territory of Republic of Khakassia from July 1, 2017 in accordance with Federal Law No. 308-FZ as of November 6, 2013 On Amending the Federal Law On Electric Capacity Industry and Article 81 of the Federal Law On Joint-Stock Companies.

The increase in own required gross revenue is due to the inclusion of shortfall in income from the termination of the last mile contracts in Krasnoyarsk Region (the contract has been terminated since 2010), compensation for lost revenue due to the transition of consumers to direct contractual relations with PJSC FGC UES in Kemerovo Region.

Dynamics of the required gross revenue for power transmission service tariffs for the regions, mln rub.

Region	2016		2017		2018	
	Total	Own	Total	Own	Total	Own
Altai Region (Altaienergo)	7,471	4,291	7,389	4,453	7,078	4,225
Republic of Altay (Gorno-Altayskiye Capacity Grids)	1,059	705	1,095	726	1,118	740
Republic of Buryatia (Buryatenergo)	4,845	2,893	4,766	2,888	5,012	3,048
Krasnoyarsk Region (Krasnoyarskenergo)	11,319	5,898	12,454	6,993	13,736	8,291
Kemerovo Oblast (Kuzbassenergo-Regional Electric Grids)	7,326	3,556	7,722	4,058	7,915	4,949
Omsk Region (Omskenergo)	6,766	3,839	6,855	3,969	6,530	3,586
Republic of Khakassia (Khakasenergo)	5,022	1,245	4,057	1,596	2,973	1,590
Zabaikalye Region (Chitaenergo)	6,294	3,460	6,510	3,363	6,842	3,419
IDGC of Siberia PJSC	50,102	25,887	50,848	28,046	51,204	29,847

Required gross revenue of the branch Buryatenergo increased due to the growth of the value of the included economically justified expenses / lost revenue on the basis of the activity for the previous regulatory periods. The increase in required gross revenue of the Krasnoyarskenergo branch is connected with the inclusion of shortfall in income from the termination of the last mile agreements in the Krasnoyarsk Region (the contract has been terminated since 2010).

Required gross revenue of the Khakasenergo branch decreased with the termination of the last mile agreements on the territory of Republic of Khakassia from July 1, 2017 in accordance with Federal Law No. 308-FZ as of November 6, 2013 On Amending the Federal Law On Electric Capacity Industry and Article 81 Federal Law On Joint Stock Companies.