

# FINANCIAL RESULTS

## TARIFF POLICY AND TARIFFS FOR THE COMPANY'S SERVICES

PRICES (TARIFFS) FOR THE COMPANY'S ELECTRICITY TRANSMISSION SERVICES AND THE GRID CONNECTION FEES ARE REGULATED BY THE STATE AND SPECIFIED BY THE ORDERS OF THE STATE TARIFF REGULATION DEPARTMENT OF THE KRASNODAR TERRITORY (STRD-KT).

### THE COMPANY'S TARIFF POLICY

In the Krasnodar Territory and the Republic of Adygea, where the Company operates, prices (tariffs) are unified for each group of power consumers.

The main legal acts regulating relations in setting the controllable tariffs and the practice of their application are as follows:

- Federal Law On Electric Power Industry No. 35-FZ dated 26 March 2003 (as amended)
- Decree of the Government of the Russian Federation On Pricing in the Field of Regulated Prices (Tariffs) in the Electric Power Industry No. 1178 dated 29 December 2011 (as amended)
- Orders of the Federal Tariffs Service of Russia:
  - On Approval of the Guidelines for the Calculation of Tariffs for Electricity Transmission Services Established using the Required Gross Revenue Long-term Indexation Technique No.98-e dated 17 February 2012
  - On Approval of the Guidelines for the Calculation of Regulated Tariffs and Prices for Electric (Thermal) Energy in the Retail (Consumer) Market No.20-e/2 dated 6 August 2004
- Order of the FAS of Russia On Approval of the Guidelines for Determining the Fees for Grid Connection No. 1135/17 dated 29 August 2017



# TARIFFS FOR ELECTRICITY TRANSMISSION SERVICES

Since 2018, Rosseti Kuban has switched to the next long-term period (five years) of regulating tariffs for electricity transmission services. The tariffs and long-term regulation parameters for 2018–2022 are determined by the STRD-KT using the method of long-term indexation of required gross revenue.

Order of STRD-KT dated 29 December 2020 No. 51/2020-e (as amended and supplemented) approved the unified “single pot” tariffs for electricity transmission services, which had not been revised during the regulation period.

Information on tariffs for electricity transmission services in 2021 is available on the Company’s official website in the To Consumers/Electricity Transmission/Tariffs for Electricity Transmission Services section.

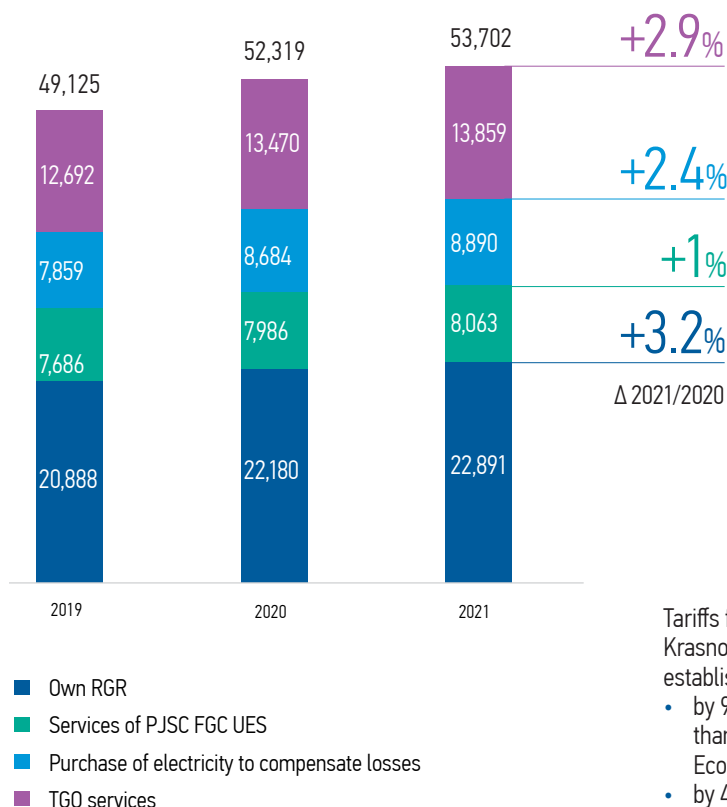
[For more details on tariffs, please visit the Company’s website.](#)

## COMPANY’S TARIFFS FOR ELECTRICITY TRANSMISSION SERVICES

Indicator	2019	2020	2021	Δ 2021/2020 (%)
RGR for electricity transmission, approved as part of the tariff and balance solutions (RUB mn)	49,125	52,319	53,702	2.6
Including				
• Own RGR (RUB mn)	20,888	22,180	22,891	3.2
• Services provided by PJSC FGC UES (RUB mn)	7,686	7,986	8,063	1.0
• Expenses for purchase of electricity losses (RUB mn)	7,859	8,684	8,890	2.4
• Expenditures for TGO services (according to the effective contractual scheme) (RUB mn)	12,692	13,470	13,859	2.9
Common pot net electricity delivery (mn kWh)	18,937	19,670	19,483	-1.0
Average tariff for electricity transmission services (RUB/kWh)	2.59412	2.65990	2.75633	3.6



STRUCTURE OF RGR FROM ELECTRICITY TRANSMISSION BY PJSC ROSSETI KUBAN (RUB MN)



Tariffs for electricity transmission services on the grids of the Krasnodar Territory and the Republic of Adygea for 2021 were established so to increase starting from the second half of 2021:

- by 9.8% for the “Other consumers” group, which is 6.8% higher than the level specified by the Russian Federation’s Social and Economic Development Forecast
- by 4.5% for the households

## PAYMENTS FOR GRID CONNECTION

STRD-KT calculates standardised tariff rates and rates per unit of maximum capacity in accordance with the Guidelines for Determining the Fees for Grid Connection, approved by Order No. 1135/17 of the FAS of Russia dated 29 August 2017 and based on information on the costs of grid connection activities submitted by territorial grid organisations of the region.

The Order of STRD-KT No. 49/2020-e dated 29 December 2020 approved:

- Standardised tariff rates determining the amount of payment for connection to the grids of territorial grid organisations
- Rates determining the amount of payment for connection to the grids of territorial grid organisations, per unit of maximum capacity
- Formulas for calculating the amount of payment for grid connection, based on standardised tariff rates and payment rates per unit of maximum capacity, taking into account the method of connection to the grids of a grid organisation and implementation of relevant measures

In addition, Order No. 49/2020-e of STRD-KT dated 29 December 2020, in accordance with the legislation of the Russian Federation, established the following fees for connection to the territorial distribution grids for applicants who have applied for grid connection of consumer terminals with maximum capacity not exceeding 15 kW inclusive (taking into account the previously connected power consumer terminals at the particular connection point), and micro-generation facilities when connecting to the facilities covered by the third category of reliability:

- for individuals — RUB 550.00 (incl. VAT)
- for legal entities — RUB 458.33 (excl. VAT)

At the same time, the distance from the borders of the applicant's site to the power grid facilities featuring voltage level up to and including 20 kV and corresponding to the required voltage class of the grid organisation an application was submitted to shall be as follows:

- not more than 300 metres in cities and urban-type settlements
- not more than 500 metres in rural areas

Detailed information on the established standardised tariff rates and the rates of payment per unit of maximum power for grid connection to the Rosseti Kuban power grids for 2021 is available on the Company's website in the To Consumers / Grid Connection / Tariffs for Grid Connection section.

[Grid connection tariffs can be found on the Company's website](#)

## INDICATORS OF PAYMENT FOR CONNECTION TO POWER GRIDS OF PJSC ROSSETI KUBAN

Indicators	2019	2020	2021	Δ 2021/2020 (%)
Standardised tariff rates (RUB/connection) and payment rates per unit of maximum capacity (RUB/kW) to cover the costs of grid connection of applicants for activities not related to the construction of power grid facilities	10,272.30	10,860.59	11,486.68	5.8
	647.66	667.39	636.62	-4.6

The change in grid connection rates is caused by the change in the ratio of capacity and the number of grid connections of regional grid organisations over three previous years.

