

CONSOLIDATION OF POWER GRID ASSETS

PURSUANT TO THE DEVELOPMENT STRATEGY OF THE POWER GRID COMPLEX OF THE RUSSIAN FEDERATION, NAMELY ITS GOAL TO REDUCE THE NUMBER OF TGOs, THE COMPANY CONSOLIDATED THE GRID ASSETS IN THE KRASNODAR TERRITORY AND THE REPUBLIC OF ADYGEA DURING THE REPORTING YEAR.

For 2021, STRD-KT approved individual transmission tariffs for 53 TGOs (Order No. 51/2020-e dated 27 December 2020). PJSC Rosseti Kuban signed grid assets lease agreements with two TGOs (LLC Rostekelektroseti and LLC Alga).

With respect to consolidating grid assets, the Company undertaken the following measures during the reporting year:

- In cooperation with the authorities, the Company took active efforts in picking up ownerless movable power property and registering it on own balance books
- The Company informed the Krasnodar Territory Administration of its intention to consolidate the power grid property owned by third parties, at Rosseti Kuban, with submitting the action plan approved by the Ministry of Fuel and Energy, Housing and Utilities of the Krasnodar Territory
- Rosseti Kuban participated in meetings with the Ministry of Fuel and Energy, Housing and Utilities of the Krasnodar Territory on the following issues:
 - Transferring the grid facilities of horticultural and dacha communities to the balance of power grid organisations
 - Developing regulations to improve the criteria according to which owners of electric grid facilities can be classified as TGOs
 - Transferring grid facilities owned by non-compliant entities to qualified TGOs operating the grids, which have a direct grid connection to such facilities

In 2021, Rosseti Kuban consolidated 15,402.7 c.u. of 1,262.2 km in length and 1,351.2 MVA in capacity and completed 82 transactions, including:

- 24 gratuitous transfers of grid facilities from non-profit organisations and individuals
- 56 lease agreements, including 13 agreements with TGOs, 25 agreements with municipal entities, 18 agreements with other owners
- 2 Two transactions of gratuitous use of property
- Takeover of 81 abandoned power facilities

15,403 c.u.

CONSOLIDATION BY PJSC ROSSETI KUBAN IN 2021

1,262 km

CONSOLIDATED PTL LENGTH

1,351 MVA

CONSOLIDATED CAPACITY

MONITORING THE VOLUMES OF CONSOLIDATION OF POWER GRID ASSETS IN 2019–2021

Method of consolidation	2019			2020			2021		
	MVA	km	c.u.	MVA	km	c.u.	MVA	km	c.u.
TOTAL	1,457.1	1,686.1	16,024.2	1,438.1	1,200.4	15,248.9	1,351.2	1,262.2	15,402.7
Grid facilities acquired	0	0	0	0	0	0	0	0	0
Grid facilities in operating lease	1,314.1	907.7	10,422.8	1,327.8	881.2	10,518.1	1,324.7	1,151.7	14,805.5
Other (permanent rights of ownership and use)	9.7	49.4	159.6	5.5	29.6	125.1	6.2	34.0	201.3
Other (temporary rights of ownership and use)	133.3	729.0	5,441.9	104.7	289.6	4,605.7	20.3	76.6	395.9